



**34<sup>th</sup> ANNUAL REPORT**  
**2023-2024**



## MAZDA LIMITED

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### BOARD OF DIRECTORS:

MOHIB N. KHERICHA, Chairman (DIN: 00010365)

SHEILA S. MODY (DIN: 00496561)

SAMUEL W. CROLL- III (DIN: 01407244)

HOUTOXI F. CONTRACTOR (DIN: 00499260)

NILESH C. MANKIWALA (DIN: 06927530)

SAURIN V. PALKHIWALA (DIN: 03604769)

PERCY X. AVARI, Whole-Time Director (DIN: 00499114)

SHANAYA MODY KHATUA, Whole-Time Director  
(DIN: 01241585)

### CHIEF FINANCIAL OFFICER:

CYRUS J. BHAGWAGAR

### COMPANY SECRETARY

NISHITH C. KAYASTH

**CIN : L29120GJ1990PLC014293**

### REGISTERED OFFICE:

C/1-39/13/16, GIDC, Naroda,  
Ahmedabad- 382 330

### CORPORATE OFFICE:

650/1, MAZDA HOUSE, Panchwati 2nd Lane,  
Ambawadi, Ahmedabad - 380 006

### BANKERS:

#### State Bank of India

Laghu Udyog Branch,  
Neptune Tower Complex,  
Opp. Gandhigram Railway Station,  
Off. Ashram Road, Ahmedabad- 380 009.

### AUDITORS:

#### Mayank Shah & Associates, Chartered Accountants

706, Mahakant  
Opp. V.S. Hospital,  
Ellis Bridge, Ahmedabad- 380 006.

### SHARES LISTED AT:

#### National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (E), Mumbai – 400 051.

#### Bombay Stock Exchange Limited

Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400 001  
(Company Code- 523792)

### REGISTRAR & SHARE TRANSFER AGENT:

#### Link Intime India Pvt. Ltd.

506-508 Amarnath Business Centre – I,  
Besides Gala Business Centre,  
Off. C.G. Road, Navarangpura,  
Ahmedabad – 380 009.



## NOTICE

**NOTICE** is hereby given that the 34<sup>th</sup> Annual General Meeting ('AGM') of members of Mazda Limited ('the company') will be held on **Monday, 09<sup>th</sup> September, 2024 at 12.00 p.m.** at the Corporate Office situated at 650/1, MAZDA HOUSE, Panchwati 2<sup>nd</sup> Lane, Ambawadi, Ahmedabad – 380 006 through Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM') to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements of the company for the year ended 31<sup>st</sup> March, 2024 including the Audited Balance Sheet as at 31<sup>st</sup> March, 2024, the Statement of Profit and Loss for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To declare Final Dividend of Rs. 16.00 per equity share of fully paid-up face value of Rs.10 each of the company for the financial year ended on 31<sup>st</sup> March, 2024.
3. To appoint a director in place of Mrs. Houtoxi Contractor (DIN: 00499260), who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint a director in place of Mrs. Shanaya Mody Khatua (DIN: 01241585), who retires by rotation and being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS:

5. **Ratification of remuneration payable to the Cost Auditors for the financial year 2024-25**

To consider and if thought fit, pass, with or without modifications, the following resolutions as **Ordinary Resolutions:**

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactment thereof, for time being in force) and approval by the Board of Directors of the company, M/s. Nisha Patel & Associates, Cost Accountants (Firm Registration No.: 102667) be and is hereby re-appointed as the Cost Auditor of the company to conduct audit of cost records made and maintained by the company pertaining to "Other Machinery" for financial year commencing on 1<sup>st</sup> April, 2024 and ending on 31<sup>st</sup> March, 2025 at a remuneration of Rs. 1.50 Lacs plus Goods and Service Tax and reimbursement of out-of-pocket expenses incurred by them in connection with aforesaid audit at actual, be and is hereby ratified and confirmed."

**"RESOLVED FURTHER THAT** the Company Secretary or any one of the directors of the company be and are hereby severally authorised to do all such acts, deeds and things as may be necessary and incidental for giving effect to this resolution."

6. **To consider and approve appointment of Mr. Mihir Dinesh Mehta (DIN: 10733016) as an Independent Director of the Company**

To consider and if thought fit, pass, with or without modifications, the following resolutions as **Special Resolutions:**

**"RESOLVED THAT** in accordance with the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Act (including any statutory modifications or re-enactments thereof for the time being in force) and Regulation 16(1)(b), 17, 25 and other applicable provisions, if any, of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company and Nomination and Remuneration Policy of the Company, Mr. Mihir Dinesh Mehta (DIN: 10733016), who is eligible for appointment as Independent Director as per the provisions of the Act and Rules framed thereunder and SEBI Listing Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold the office for a term of five (5) consecutive years with effect from September 09, 2024 to September 08, 2029 and he will not be liable to retire by rotation."

**"RESOLVED FURTHER THAT** approval of the Members is be and hereby accorded to the Board of Directors (which term shall include its duly empowered Committee(s) constituted/to be constituted by it to exercise its powers including the powers conferred by this resolution) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

7. **To consider and approve appointment of Mr. Ashok Ruplal Kavdia (DIN: 00054601) as an Independent Director of the Company**

To consider and if thought fit, pass, with or without modifications, the following resolutions as **Special Resolutions:**

**"RESOLVED THAT** in accordance with the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Act (including any statutory modifications or re-enactments thereof for the time being in force) and Regulation 16(1)(b), 17, 25 and other applicable provisions, if any, of Chapter IV of the Securities and Exchange Board of India (Listing Obligations

and Disclosure Requirements) Regulations, 2015 (“the SEBI Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company and Nomination and Remuneration Policy of the Company, Mr. Ashok Ruplal Kavdia (DIN: 00054601), who is eligible for appointment as Independent Director as per the provisions of the Act and Rules framed thereunder and SEBI Listing Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold the office for a term of five (5) consecutive years with effect from September 09, 2024 to September 08, 2029 and he will not be liable to retire by rotation.”

“**RESOLVED FURTHER THAT** approval of the Members is be and hereby accorded to the Board of Directors (which term shall include its duly empowered Committee(s) constituted/to be constituted by it to exercise its powers including the powers conferred by this resolution) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

8. **To consider and approve appointment of Mrs. Shetal Utkarsh Bhatt (DIN: 10733013) as an Independent Director of the Company**

To consider and if thought fit, pass, with or without modifications, the following resolutions as **Special Resolutions**:

“**RESOLVED THAT** in accordance with the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Act (including any statutory modifications or re-enactments thereof for the time being in force) and Regulation 16(1)(b), 17, 25 and other applicable provisions, if any, of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company and Nomination and Remuneration Policy of the Company, Mrs. Shetal Utkarsh Bhatt (DIN: 10733013), who is eligible for appointment as Independent Director as per the provisions of the Act and Rules framed thereunder and SEBI Listing Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold the office for a term of five (5) consecutive years with effect from September 09, 2024 to September 08, 2029 and she will not be liable to retire by rotation.”

“**RESOLVED FURTHER THAT** approval of the Members is be and hereby accorded to the Board of Directors (which term shall include its duly empowered Committee(s) constituted/to be constituted by it to exercise its powers including the powers conferred by this resolution) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

**Registered Office:**

C/1-39/13/16 GIDC,  
Naroda,  
Ahmedabad – 382 330  
Date : 07/08/2024  
Place : Ahmedabad

By Order of the Board,  
Sd/-  
Nishith Kayasth  
Company Secretary

**NOTES:**

1. **NOTICE AND AGM THROUGH AUDIO VIDEO MEANS:** The Ministry of Corporate Affairs (MCA) by Circular No. 14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020 and Circular No. 20/2020 dated 5th May, 2020 and Circular No. 02/2021 dated January, 13, 2021 and Circular No. 21/2021 dated December 14, 2021 , 02/2022 dated May 5, 2022, 10/2022 dated December 28, 2022 and the latest being 09/2023 dated September 25, 2023 (“MCA Circulars”) read with Securities Exchange Board of India Circular Nos. SEBI/HO/ CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/DDHS/P/ CIR/2022/0063 dated May 13, 2022 and SEBI/HO/CRD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and Circular No. SEBI/HO/ CFD/ CFD- PoD-2/P/CIR/2023/167 dated October 7, 2023 had permitted sending of the Notice of AGM along with Annual Report only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories as well as conducting the AGM through Video Conferencing (VC) or Other Audio-Visual Means (OAVM). Accordingly, in compliance with applicable provisions of the Companies Act, 2013 and the said Circulars the:
  - a. Notice of the AGM along with Annual Report for the financial year 2023-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories.
  - b. The 34<sup>th</sup> AGM of the Members will be held through VC / OAVM. The deemed venue for the 34<sup>th</sup> AGM of the Company shall be the Corporate Office of the Company situated at 650/1, MAZDA HOUSE, Panchwati 2nd Lane, Ambawadi, Ahmedabad - 380 006. The Company has enabled the VC facility provided by Central Depository Services India Private Limited (CDSL) for the Members to participate at the meet. The detailed procedure for participating in the meeting through VC/OAVM is explained in the subsequent notes of this Notice.



In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the AGM of the Company will be held through VC / OAVM. Hence, Members can attend and participate in the 34<sup>th</sup> AGM through VC/OAVM only.

- 2. THE NOTICE OF AGM AND ANNUAL REPORT:** The notice of AGM along with Annual report are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). Members may note that the Notice and Annual Report will also be available on the Company's website [www.mazdalimited.com](http://www.mazdalimited.com), website of stock exchanges i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com). Members (Physical / Demat) who have not registered their email addresses with the Company can get the same registered with the Company by requesting in member updation form by sending an email to [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in) and submitting duly filled and signed member updation form to the above-mentioned email. Upon verification of the Form the email will be registered with the Company.
- 3. BOOK CLOSURE:** The Register of Members and Transfer Books of the Company will be closed from Friday, 23<sup>rd</sup> August, 2024 to Friday, 30<sup>th</sup> August, 2024 (both days inclusive) for the purpose of determining entitlement of Dividend on equity shares, if declared at the meeting.
- 4. DIVIDEND:** Dividend will be paid to those shareholders whose name appears in the Register of Members as at the end of the business hours on the record date i.e., 22<sup>nd</sup> August, 2024.

Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. 1<sup>st</sup> April, 2020 and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ("the IT Act"). In order to enable us to determine the TDS rate as applicable, members are requested to upload Form 15G/15H, if applicable, on the weblink <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> provided by company's RTA.

- 5. IEPF:** Pursuant to the provisions of Section 124 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the amount of dividend remaining unpaid or unclaimed for a period of 7 years from the date of transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Accordingly, the unclaimed dividend in respect of financial year 2016-17 is due for transfer in September, 2024. The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority if remain unpaid for the continuous seven years. In view of this, Members/ Claimants are requested to claim their dividends from the company, within the stipulated timeline. Shareholders may please note that no claim of dividend will be entertained after the transfer of unclaimed dividend to the Investor Education & Protection Fund (IEPF). Hence, the company urges all the members to encash/ claim their respective dividend during the prescribed period.

Details of such equity shares to be transferred to the IEPF Authority in the financial year 2023-24 are uploaded on the website of the Company at the link <https://mazdalimited.com/documents/List%20of%20shareholders%20whose%20shares%20will%20be%20transferred%20to%20IEPF%20in%20the%20FY%202023-24.pdf>.

The details of the unpaid/ unclaimed amounts lying with the company are available on the website of the company i.e., <https://mazdalimited.com/documents/Details-of-unclaimed-dividend-of-seven-years.pdf>. The shareholders whose dividend/ shares are transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://www.iepf.gov.in/IEPFA/refund.html>.

During the year 2023-24, the Company has transferred 875 equity shares to the demat account of IEPF Authority.

- 6. ELECTRONIC CREDIT OF DIVIDEND:** SEBI, vide its Circular No. CIR/MRD/DP/10/2013 dated 21<sup>st</sup> March, 2013, made it mandatory for all listed companies to use, either directly or through their RTA, any RBI approved electronic mode of payment like ECS, NECS, NACH etc. for distribution of dividends or providing other cash benefits to the investors.

Accordingly, the members, holding shares in physical form are requested to update their address or provide / update their bank mandate (including details of MICR, IFSC etc.) with the company or its Registrars & Transfer Agents (RTA), Link Intime India Private Limited by filling form ISR-1 along with original cancelled cheque bearing the name of the Member to RTA or the company.

Members holding shares in dematerialized form are requested to update their bank account details with their respective Depository Participants ("DP"). The company or Link Intime cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the DPs of the Members. 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 electronic mode.

- 7. TRANSFER OF SHARES PERMITTED IN DEMAT FORM ONLY:** SEBI vide its circular dated 8th June, 2018 amended Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to which securities of listed companies can be transferred only in dematerialised form with effect from 1st April, 2019, except in case of transmission or transposition of securities.

Further, SEBI vide its Circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2023/8 dated 25<sup>th</sup> January, 2022, has mandated that securities shall be issued only in dematerialized mode while processing duplicate/unclaimed suspense/ renewal/ exchange/ endorsement/ sub-division/ consolidation/ transmission/ transposition service requests received from physical securities holders.

Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate and will not attract any stamp duty. Hence, we request all those members who have still not dematerialized their shares to get their shares dematerialized at the earliest.

Members are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account or alternatively, contact the nearest branch of Link Intime India Private Limited to seek guidance in the demat procedure. Members may also visit website of depositories viz. National Securities Depository Limited at <https://nsdl.co.in/faqs/faq.php> or Central Depository Services (India) Limited at <https://www.cdslindia.com/Investors/open-demat.html> for further understanding of the demat procedure. The ISIN code of the Equity Shares is **INE885E01034**.

#### 8. MEMBERS HOLDING SHARES

- a. **in dematerialized mode:** are requested to intimate all changes pertaining to their bank details, NECS mandates, Power of Attorney, change of address or name etc. to their Depository Participant only. The company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Changes intimated to Depository Participant will be automatically reflected in the company's record which will help the company and its registrar and transfer agents to provide efficient and better services.
  - b. **in physical form:** are requested to intimate any change of address and/ or bank mandate to Link Intime India Pvt. Ltd., Registrar and Share Transfer Agent of the Company immediately by sending a request on email at [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in).
9. **REGISTERS:** The Register of Directors' and Key Managerial Personnel and their shareholding and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and all the documents referred to in the accompanying Notice and Explanatory Statement will be available for inspection in electronic mode during the meeting by sending a request via mail well in advance.
  10. **PAN:** Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members are requested to update their PAN with their respective Depository Participant(s) (in case of shares held in dematerialized form) and with Link Intime India Private Limited in form ISR-1 (in case of holding shares in electronic form).
  11. **NOMINATION:** Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form ISR-3 with the company's RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
  12. **NON-RESIDENT INDIAN:** The NRI members are requested to inform the RTA, 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 and address of the bank with pin code number, if not furnished earlier.
  13. **ELECTRONIC COMMUNICATION:** In case e-mail ID of a Member is not registered with the Company/ Depository Participant(s) then such Member is requested to register/ update their e-mail addresses with the Depository Participant (in case of shares held in dematerialized form) for receiving all communication including annual report, notices, circulars, etc. from the company electronically. The link for registration of E-mail ID with the company / RTA is: [https://linkintime.co.in/EmailReg/Email\\_Register.html](https://linkintime.co.in/EmailReg/Email_Register.html).
  14. **BRIEF PROFILE:** As required under the provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2, brief profile of the Directors proposed for re-appointment at the forthcoming Annual General Meeting and Explanatory Statement of Special Businesses to be transacted at the AGM pursuant to Section 102 of the Companies Act, 2013 is annexed to the notice. The Directors have furnished the requisite consent / declarations for their re-appointment as required under the Companies Act, 2013 and the Rules made there under.
  15. **PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS:**
    1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
    2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.

3. The Members can join the AGM/EGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at [www.mazdalimited.com](http://www.mazdalimited.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](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation to this Ministry's **General Circular No. 20/2020** dated 05.05.2020, General Circular No. 02/2022 dated 05.05.2022 and General Circular No. 10/2022 dated 28.12.2022 and after due examination, it has been decided to allow companies whose AGMs are due in the Year 2023 or 2024, to conduct their AGMs through VC or OAVM on or before 30th September, 2024 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020.

**THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

**Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on 6th September, 2024 and ends on 8th september, 2024. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22nd August, 2024 of may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<p>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</p> <p>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful 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 company 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 or joining virtual meeting &amp; voting during the meeting.</p>

**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. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

- 1) Click on "Shareholders" module.
- 2) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 3) Next enter the Image Verification as displayed and Click on Login.  
If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 4) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant MAZDA LIMITED on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

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

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.

It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non-Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [nishith@mazdalimited.com](mailto:nishith@mazdalimited.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [nishith@mazdalimited.com](mailto:nishith@mazdalimited.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [nishith@mazdalimited.com](mailto:nishith@mazdalimited.com).
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**



3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 21 09911.

**Registered Office:**

C-1/39/13/16 GIDC, Naroda  
Ahmedabad – 382 330

**Date: 07/08/2024**

**Place: Ahmedabad**

By Order of the Board,  
Sd/-

**Nishith Kayasth**  
**Company Secretary**

## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

#### **Item No. 05: Ratification of remuneration payable to the Cost Auditors for the financial year 2024-25**

The Board, on the recommendation of the Audit Committee, has approved the appointment and recommended remuneration of M/s. Nisha Patel & Associates, Cost Accountants (Firm Registration No.: 102667), to conduct the audit of the cost records of the company for the financial year ending on 31<sup>st</sup> March, 2025.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs. 1.50 Lacs (One Lac Fifty Thousand) payable to the Cost Auditor has to be approved by the shareholders of the company. The remuneration of the Cost Auditor shall be ratified by the shareholders.

None of the Directors / Key Managerial Personnel of the company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at the Item No. 05 of the accompanying Notice of the AGM.

The Board recommends the Ordinary Resolution set out at Item No. 05 of the Notice for approval by the members.

#### **Item no. 06: Appointment of Mr. Mihir Dinesh Mehta (DIN: 10733016) as an Independent Director of the Company**

The Company has received a notice from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose the candidature of Mr. Mihir Dinesh Mehta (DIN: 10733016) for the office of Independent Director of the Company.

Based on the recommendations of the Nomination and Remuneration Committee ("NRC"), the Board of Directors of the Company (the "Board") has recommended the appointment of Mr. Mihir Dinesh Mehta (DIN: 10733016) in accordance with Section 149, 150 and 152 of the Companies Act, 2013 (the "Act") and in accordance with Regulations 16(1)(b), 17, 25 and other applicable provisions, if any, of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "SEBI Listing Regulations") including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and Articles of Association of the Company for a period of 5 (five) consecutive years commencing from September 09, 2024, subject to the approval of the Members of the Company.

The Company has received from Mr. Mihir Dinesh Mehta consent in writing to act as a Director, an intimation to the effect that he is not disqualified under Section 164(2) of the Act and a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

Mr. Mihir Dinesh Mehta is a highly experienced Chartered Accountant with nearly three decades in the field of finance and accounting. Throughout his distinguished career, he has demonstrated expertise as both a finance professional and an organizational leader. His deep knowledge and extensive qualifications in the fields of finance and accounting have made him a trusted and respected figure in his profession. He expanded traditional practice, specializing in Accounting, Auditing, and Income Tax. Over the years, he has undertaken numerous professional assignments as an Internal and Statutory Auditor for a diverse range of entities, including listed public limited companies, private limited companies, Religious and Charitable Non-Government Organizations, Partnership Firms, Co-operative Societies, Housing Societies, and Individuals. Additionally, he has successfully represented clients before various Income Tax Authorities, including the ITO, ACIT, DCIT, and CIT(A).

In the opinion of the NRC and the Board, Mr. Mihir Dinesh Mehta is a person of integrity, possesses relevant expertise and experience, fulfills the conditions specified for appointment in the Act, including in Schedule IV thereto, and the Companies (Appointment & Qualification of Directors) Rules, 2014 and SEBI Listing Regulations, and is independent of the management of the Company.

The Board considers that the appointment of Mr. Mihir Dinesh Mehta as Independent Director would be of immense benefit to the Company. Accordingly, the Board recommends his appointment as an Independent Director of the Company for 5 (five) consecutive years for a period from September 09, 2024 to September 08, 2029.

Disclosure under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India pertaining to his qualification, brief resume, area of expertise and other details are set out in the Annexure attached to this Notice.

Accordingly, the Board seeks approval of the members as set out in the Item no. 06 of Notice for appointment of Mr. Mihir Dinesh Mehta as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from September 09, 2024 to September 08, 2029. He will not be liable to retire by rotation.

Upon approval by the members of the appointment of Mr. Mihir Dinesh Mehta as an Independent Director, the appointment will be formalized by issue of a letter of appointment. A copy of the draft letter for appointment of Independent Directors setting out the terms and conditions is available for inspection by the members at the Company's Registered Office on all working days (Monday to Friday) between 9.30 a.m. and 6.00 p.m. up to the date of the meeting. It is also accessible on the Company's website [www.mazdalimited.com](http://www.mazdalimited.com).

Except Mr. Mihir Dinesh Mehta, none of the directors, key managerial personnel of the Company or their relatives, is in any way concerned or interested, financially or otherwise, in the Resolution set out at Item No. 06 of the Notice.

**Item no. 07: Appointment of Mr. Ashok Ruplal Kavdia (DIN: 00054601) as an Independent Director of the Company**

The Company has received a notice from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose the candidature of Mr. Ashok Ruplal Kavdia (DIN: 00054601) for the office of Independent Director of the Company.

Based on the recommendations of the Nomination and Remuneration Committee ("NRC"), the Board of Directors of the Company (the "Board") has recommended the appointment of Mr. Ashok Ruplal Kavdia (DIN: 00054601) in accordance with Section 149, 150 and 152 of the Companies Act, 2013 (the "Act") and in accordance with Regulations 16(1)(b), 17, 25 and other applicable provisions, if any, of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "SEBI Listing Regulations") including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and Articles of Association of the Company for a period of 5 (five) consecutive years commencing from September 09, 2024, subject to the approval of the Members of the Company.

The Company has received from Mr. Ashok Ruplal Kavdia consent in writing to act as a Director, an intimation to the effect that he is not disqualified under Section 164(2) of the Act and a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

Mr. Ashok Ruplal Kavdia, B.Sc., FCA, is a veteran Chartered Accountant with over 38 years of comprehensive experience in Project Finance, Audit, Finance, General Administration, and other allied activities. His career has been marked by significant contributions and leadership roles in various esteemed organizations. He has been a Partner at Sanghvi & Associates, Chartered Accountants since 1999 and led the Accounts & Finance Department for 13 years in an industry setting.

Mr. Ashok Ruplal Kavdia has been an Independent Director of Chartered Capital & Investment Ltd, a BSE-listed company, since 2003 and its Chairman since 2019. He has also served as an Independent Director at UMA Converter LTD, an NSE Emerge-listed company, since August 2018. Additionally, he became a Designated Partner at KJ Realty Farms LLP in June 2024.

His extensive expertise and leadership have established him as a prominent figure in finance and accounting, contributing significantly to the growth and governance of the organizations he is associated with.

In the opinion of the NRC and the Board, Mr. Ashok Ruplal Kavdia is a person of integrity, possesses relevant expertise and experience, fulfills the conditions specified for appointment in the Act, including in Schedule IV thereto, and the Companies (Appointment & Qualification of Directors) Rules, 2014 and SEBI Listing Regulations, and is independent of the management of the Company.

The Board considers that the appointment of Mr. Ashok Ruplal Kavdia as Independent Director would be of immense benefit to the Company. Accordingly, the Board recommends his appointment as an Independent Director of the Company for 5 (five) consecutive years for a period from September 09, 2024 to September 08, 2029.

Disclosure under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India pertaining to his qualification, brief resume, area of expertise and other details are set out in the Annexure attached to this Notice.

Accordingly, the Board seeks approval of the members as set out in the Item no. 07 of Notice for appointment of Mr. Ashok Ruplal Kavdia as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from September 09, 2024 to September 08, 2029. He will not be liable to retire by rotation.

Upon approval by the members of the appointment of Mr. Ashok Ruplal Kavdia as an Independent Director, the appointment will be formalized by issue of a letter of appointment. A copy of the draft letter for appointment of Independent Directors setting out the terms and conditions is available for inspection by the members at the Company's Registered Office on all working days (Monday to Friday) between 9.30 a.m. and 6.00 p.m. up to the date of the meeting. It is also accessible on the Company's website [www.mazdalimited.com](http://www.mazdalimited.com).

Except Mr. Ashok Ruplal Kavdia, none of the directors, key managerial personnel of the Company or their relatives, is in any way concerned or interested, financially or otherwise, in the Resolution set out at Item No. 07 of the Notice.

**Item no. 08: Appointment of Mrs. Shetal Utkarsh Bhatt (DIN: 10733013) as an Independent Director of the Company**

The Company has received a notice from a member under Section 160 of the Companies Act, 2013, signifying her intention to propose the candidature of Mrs. Shetal Utkarsh Bhatt (DIN: 10733013) for the office of Independent Director of the Company.

Based on the recommendations of the Nomination and Remuneration Committee ("NRC"), the Board of Directors of the Company (the "Board") has recommended the appointment of Mrs. Shetal Utkarsh Bhatt (DIN: 10733013) in accordance with Section 149, 150 and 152 of the Companies Act, 2013 (the "Act") and in accordance with Regulations 16(1)(b), 17, 25 and other applicable provisions, if any, of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "SEBI Listing Regulations") including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and Articles of Association of the Company for a period of 5 (five) consecutive years commencing from September 09, 2024, subject to the approval of the Members of the Company.

The Company has received from Mrs. Shetal Utkarsh Bhatt consent in writing to act as a Director, an intimation to the effect that she is not disqualified under Section 164(2) of the Act and a declaration to the effect that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.



Mrs. Shetal Utkarsh Bhatt is a dynamic and dedicated professional based in Ahmedabad, India, with extensive experience in stakeholder management, strategic planning, and community involvement. She holds a B.Sc. in Microbiology from MG Science Institute and has interned at the Institute of Hotel Management, Ahmedabad and completed an internship at the Institute of Hotel Management, Ahmedabad, in 1986. She began her career at Mazda Limited, supporting teams and regulatory processes, then contributed to the British School in the Netherlands by organizing student activities. At Wonder Waves Entertainment Pvt Ltd., She managed event logistics. In addition to her professional work, she is a skilled Pergamene artist, proficient in embellishing and decorating parchment paper using techniques.

In the opinion of the NRC and the Board, Mrs. Shetal Utkarsh Bhatt is a person of integrity, possesses relevant expertise and experience, fulfills the conditions specified for appointment in the Act, including in Schedule IV thereto, and the Companies (Appointment & Qualification of Directors) Rules, 2014 and SEBI Listing Regulations, and is independent of the management of the Company.

The Board considers that the appointment of Mrs. Shetal Utkarsh Bhatt as Independent Director would be of immense benefit to the Company. Accordingly, the Board recommends her appointment as an Independent Director of the Company for 5 (five) consecutive years for a period from September 09, 2024 to September 08, 2029.

Disclosure under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India pertaining of her qualification, brief resume, area of expertise and other details are set out in the Annexure attached to this Notice.

Accordingly, the Board seeks approval of the members as set out in the Item no. 08 of Notice for appointment of Mrs. Shetal Utkarsh Bhatt as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from September 09, 2024 to September 08, 2029. He will not be liable to retire by rotation.

Upon approval by the members of the appointment of Mrs. Shetal Utkarsh Bhatt as an Independent Director, the appointment will be formalized by issue of a letter of appointment. A copy of the draft letter for appointment of Independent Directors setting out the terms and conditions is available for inspection by the members at the Company's Registered Office and Corporate Office on all working days (Monday to Friday) between 9.30 a.m. and 6.00 p.m. up to the date of the meeting. It is also accessible on the Company's website [www.mazdalimited.com](http://www.mazdalimited.com).

Except Mrs. Shetal Utkarsh Bhatt, none of the directors, key managerial personnel of the Company or their relatives, is in any way concerned or interested, financially or otherwise, in the Resolution set out at Item No. 08 of the Notice.

**Registered Office:**  
C-1/39/13/16 GIDC, Naroda  
Ahmedabad – 382 330  
**Date: 07/08/2024**  
**Place: Ahmedabad**

By Order of the Board,  
Sd/-  
**Nishith Kayasth**  
Company Secretary

**Annexure to the Explanatory Statement pursuant to Regulation 36 of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India, information about the Directors proposed to be Appointed / Re-Appointed is furnished below:**

Name of the Director	Mrs. Houtoxi Contractor	Mrs. Shanaya Mody Khatua	Mr. Mihir Dinesh Mehta	Mr. Ashok Ruplal Kavdia	Mrs. Shetal Utkarsh Bhatt
Directors Identification Number (DIN)	00499260	01241585	10733016	00054601	10733013
Nationality	Indian	Non-Resident Indian	Indian	Indian	Indian
Date of Birth and Age	01/01/1953 71 years	26/09/1981 42 years	04/12/1966 57 years	11/08/1962 61 years	09/07/1965 59 years
Qualification	B. Com & System Analyst	B.A. (Arts) from University of New South Wales, Australia, M.Sc. (International Employment Relations & HRM) from London School of Economics	B.Com, Chartered Accountant, DISA	B.Sc., Chartered Accountant	B.Sc.
Experience and Expertise	She is on the Board since 1992 and having experience and knowledge in the field of Computer information and technology. She helped the company to develop the design and information system.	Mrs. Shanaya was appointed as an administration and Human Resource Manager of the company in the year 2006. She was appointed as a Whole- Time Director of the Company in the year 2007. She looks after the business of food division which is mainly export oriented. She is also the overall in charge of administration and Human Resource functions of the company.	Mr. Mihir Dinesh Mehta is a Chartered Accountant with nearly 30 years of experience in finance and accounting. He specializes in Accounting, Auditing, and Income Tax, and has worked with a diverse range of entities, including public and private companies, non-profit organizations, and co-operative societies. He is known for his expertise in representing clients before various Income Tax Authorities.	Mr. Ashok Ruplal Kavdia, B.Sc., FCA, is a veteran Chartered Accountant with over 38 years of comprehensive experience in Project Finance, Audit, Finance, General Administration, and other allied activities. His career has been marked by significant contributions and leadership roles in various esteemed organizations.	Mrs. Shetal Utkarsh Bhatt is a versatile professional based in Ahmedabad, India, with significant experience in stakeholder management, strategic planning, and community engagement. She holds a B.Sc. in Microbiology from MG Science Institute and has completed internships at the Institute of Hotel Management, Ahmedabad. Her career includes roles at Mazda Limited, the British School in the Netherlands, and Wonder Waves Entertainment Pvt Ltd., where she handled team support, event logistics, and student activities. Additionally, she is a skilled Pergamene artist, specializing in decorative techniques on parchment paper.
Date of first Appointment on the Board of the Company	02/10/1992	22/01/2007	Not Applicable		
Shareholding in the Company	592 Equity Shares	12,54,228 Equity Shares	None	None	400 Equity Shares
List of Directorship held in other companies	Please refer Report on Corporate Governance		None	1. Chartered Capital & Investment Ltd 2. UMA Converter LTD	None

Membership / Chairmanship in Committees of other companies as on date	Please refer Report on Corporate Governance		None	Chairmanship in three committees	None
Relationships between Directors inter-se	There is no inter-se relationship among the Directors	Relative of Mrs. Sheila Mody	There is no inter-se relationship among the Directors		
Number of Board Meeting(s) attended during the year 2023-24	Please refer Report on Corporate Governance		Did not hold position of director in 2023-24		
Remuneration drawn in 2023-24	Please refer Report on Corporate Governance		Not Applicable		
Remuneration and other terms and conditions of appointment	Please refer Report on Corporate Governance		Remuneration: Entitled to receive sitting fees for attending meetings of the Board/ Committees as approved by the Board of Directors. Other terms and conditions as specified in the draft letter of appointment.		



## DIRECTORS' REPORT

To,  
THE MEMBERS,  
MAZDA LIMITED

Your directors have pleasure in presenting to you the Thirty-Four (34<sup>th</sup>) Annual Report of the Company and the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2024.

### 1. FINANCIAL PERFORMANCE

(Rs. In Lacs)

Sr. No.	Particulars	2023-24	2022-23
i.	<b>Total revenue</b>	<b>23,201.07</b>	<b>19,385.80</b>
ii.	<b>(Less):</b> Total expenditure	18,566.12	15,435.33
iii.	<b>Profit before depreciation, finance cost &amp; tax</b>	<b>4,634.95</b>	<b>3,950.47</b>
iv.	<b>(Less):</b> Finance cost	54.38	62.94
v.	<b>(Less):</b> Tax Expenses	1,026.97	909.59
vi.	<b>Cash Profit</b>	<b>3,553.60</b>	<b>2,977.94</b>
vii.	<b>(Less):</b> Depreciation	401.57	315.30
viii.	<b>Profit for the year</b>	<b>3,152.03</b>	<b>2,662.64</b>
ix.	Items of Other Comprehensive Income (OCI) for the year	42.47	9.41
x.	<b>Total Comprehensive Income for the Year</b>	<b>3,194.50</b>	<b>2,672.04</b>
xi.	<b>Surplus brought forward</b>	<b>18,189.74</b>	<b>16,002.30</b>
xii.	<b>Profit available for appropriation</b>	<b>21,384.24</b>	<b>18,674.34</b>
xiii.	Dividend on equity shares	560.70	484.60
xiv.	<b>Surplus carried forward</b>	<b>20,823.54</b>	<b>18,189.74</b>

**Note:** The previous year figures have been regrouped wherever necessary.

### 2. DIVIDEND

Your directors have recommended final dividend of Rs.16.00 (160%) per equity share of the face value of Rs.10 each for the financial year ended on 31<sup>st</sup> March, 2024 (previous year Rs.14.00 per share). The said dividend if approved by the shareholders at the ensuing Annual General Meeting would involve a cash outflow of Rs.640.80 Lacs against Rs.560.70 Lacs for the previous financial year.

### 3. OPERATIONS

For the year ended 31<sup>st</sup> March, 2024 the company has achieved a Revenue of Rs.23,201.07 Lacs, and it has shown the uptrend by 19.60% over the last year of Rs.19,385.80 Lacs. The profit after tax for the year was Rs.3152.03 Lacs, registering a noticeable growth of 18.38% over the profit of Rs.2662.64 lacs in FY 2022-23.

### 4. FINANCE AND ACCOUNTS

There are no term loans or interests thereon outstanding during the year under review. Your company is at present using financial assistance in the form of working capital facilities from State Bank of India, Ahmedabad with overall banking limits up to Rs. 30.88 Crores to capture its fund based and non-fund-based requirements. The fund-based limits are in the form of Cash credit / PCFC loans and non-fund-based limits are in the form of Bank Guarantees and LCs.

Your company is sufficiently funded from the internal accruals which have been invested in debt market instruments like fixed maturity plans, liquid funds and bond funds. The market value of the investment as at 31<sup>st</sup> March, 2024 was Rs. 7765.26 Lacs as against Rs. 4325.94 Lacs as at 31<sup>st</sup> March, 2023. The increase in investment is showing healthy cash flows of the company.

During the year under review, ICRA has conducted the surveillance of credit facilities and re-affirmed the long-term credit ratings to 'A' and short-term credit ratings to 'A1'. The outlook of the long-term ratings is stable.

The financial statements for the year ended on 31<sup>st</sup> March, 2024 has been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Accounts) Rules, 2014 as amended from time to time and all other applicable provisions for time being in force. The Notes to the Financial Statements adequately cover the Standalone Audited Statements and form an integral part of this Report.

## 5. EXPORTS

The export business had been flourishing during the year under review due to overall increase in the orders from the overseas markets.

Exports for the year ended on 31<sup>st</sup> March, 2024 were at Rs. 5170.87 Lacs as compared to Rs. 4293.84 Lacs for the previous year showing increase by 20.42%.

## 6. PUBLIC DEPOSITS

Your Company has not accepted any Deposits falling under the meaning as per the provisions of Section 73 of the Act read with the Rules framed there under during the financial year 2023-24.

## 7. INSURANCE

Taking into consideration the multiple risks from riot, fire, earthquake, terrorism, in-transit damage and other risks considered by the management, your company's assets are adequately insured.

## 8. MANAGEMENT DISCUSSION AND ANALYSIS

### (a) Industry Structure and Developments:

As per the recent update from International Monetary Fund (IMF) there is a modest growth projection of 3.1% in 2024 marking an increase from previous forecast. Additionally, there is a decline to 5.8% in global inflation rates in 2024. The year 2024 also marks changing geopolitical situation for several nations which may introduce a degree of uncertainty. Despite potential challenges India's economic resilience shines with a stable outlook.

Among the challenges, India stood out as a bright spot. The current focus on strengthening the manufacturing capabilities brought the capital goods sector into spotlight. In the engineering sector, demand is fueled by investment and capacity expansion in crucial areas such as power, infrastructure, mining, as well as in sectors like general manufacturing, automotive, process industries goods. The industry continues to invest in technology to enhance operational efficiency and maintain global competitiveness. The sector has witnessed increased in order booking on the back of increasing consumer demand and infrastructure development. The positive economic outlook is reinforced by the government's proactive measures, as evidenced by the interim budget for fiscal year 2024-25 which targets a capital expenditure more than previous year's estimates.

The company's drive towards excellence continues persistently towards bringing innovative and various product offerings for the customers at the competitive prices.

### Engineering Business - Driving Innovation and growth:

Engineering segment continues to be a cornerstone of our business, demonstrating resilience and adaptability in an evolving industrial landscape. Our commitment to innovation and delivering value-added solutions has enabled us to secure a strong market position.

#### a) Building on Recent Successes:

The successful industrial trials of our Non-Chemical Anti-Scaling and Descaling equipment (Smart Rod Systems) marks a significant milestone. Due to the product's encouraging performance (exceeded our expectations) across diverse industries, we are of the opinion that it will be in the forefront of leading the drive for reasonable growth in the current financial year.

#### b) Strategic Focus on Innovation:

Aligned with our vision to be a pioneer in industrial solutions, we have intensified our R&D efforts. Our focus is on developing cutting-edge technologies that address critical industry challenges and create sustainable value. A few are listed as below:

- **Ion Exchange Membrane Production:** As a first-of-its-kind initiative in India, we are collaborating with a large research organization to develop Ion Exchange Membranes. This technology holds immense potential for various industrial applications, including EDI/EDR systems and niche segments.
- **Advanced Evaporation Systems:** We are in the process of developing 'first of its kind' and innovative hybrid MVR/TVR-based Evaporation Systems which is being patented by us. This will enhance energy efficiency and overall system performance and could propel us in becoming the leaders in the field of Evaporators.
- **Revolutionizing Air Pollution Control:** We are working on a 'High Gravity' based equipment to significantly reduce the operational and capital expenditure of scrubber/stripper systems while improving efficiency as specially for CO<sub>2</sub>, SO<sub>2</sub> & NH<sub>3</sub> capture.
- **Chemical-Free / CIP Solutions:** Also, we are currently conducting trials for developing a 'Chemical-Free Cleaning-in-place' (CIP) Solution for the Dairy Sector. Successful alpha trials are underway, paving the way for a transformative offering.

c) **Embracing a Broader Innovation Eco system:**

Your company is committed to exploring innovative technologies from across the globe. We are open to collaborations with Industry leaders to introduce groundbreaking products, even if they diverge from our current offerings. Our focus on sustainable green energy technologies aligns with this approach. We are particularly interested in exploring opportunities in Hydrogen-based technologies, Desalination Technologies that resonate with Mazda's philosophy.

Overall, we are confident that our ongoing initiatives will deliver exceptional value to our stakeholders and solidify our position as a preferred partner for cutting-edge engineering solutions.

**Food Business:**

The FMCG sector in India is thriving, fueled by rising consumer expenditure, rapid urbanization, and shifting lifestyle trends, positioning it as one of the most vibrant and fast-evolving segments in the economy.

Mazda's Food division met our sales targets this year and successfully crossed the Rupees Thirty crore milestone, re-affirming the effectiveness of our strategic investments in expanding production capacity and enhancing our product offerings. We continue to have suppressed profit margins due to the effects of depreciation resulting from our increased capital expenditures and investments in land and machinery. We are confident that as we continue to drive growth, we will see a corresponding enhancement in our profitability over time.

**Key Drivers of Performance are listed below:**

a) **Expanded Product Line:**

We have continued to develop new flavours and product lines, in our instant drinks range and in our food colouring range. These efforts have not only attracted new customers but also increased the average spending of our existing customer base. In the domestic segment, we have a few releases planned for 2024 which will open up new segments for our division.

b) **Improved Marketing Strategies:**

Our investment in optimizing the distribution network and expanding our retail presence has paid off. By partnering with new distributors and enhancing our domestic presence through targeted marketing and promotional campaigns, we penetrated previously untapped markets and achieved higher sales volumes. Additionally, we have expanded our domestic distribution reach in Gujarat by hiring our own sales team and appointing super-stockists.

c) **Customer Acquisition:**

We have been successful in finding new customers within the markets where we are already present, leveraging our strong brand reputation and extensive product range. Given the brand loyalty our Brands enjoy across the globe, we are attracting more traders and distributors internationally asking for our products.

d) **Increased Capital Expenditures:**

Our capital expenditures were focused on expanding production capacity and enhancing operational efficiencies. While these investments have resulted in higher depreciation and suppressed profit margins in the short term, they are crucial for our long-term growth strategy.

e) **Future Outlook:**

The strategic investments made by the Food Division have positioned us for sustained long-term success. With our expanded production capacity, diversified product portfolio, and enhanced operational efficiencies, we are well-equipped to capitalize on future market opportunities. The strong foundation laid in the previous years, evidenced by our increased turnover and expanded market reach, sets the stage for continued revenue growth and improved financial performance in the coming years.

(b) **Opportunities & threats:**

Our future growth strategy is based on several initiatives. We are pursuing improvement in our machineries, improving our design modules, upgradation of use of information technology and product design improvements through various in-house research.

The growth in demand of our products is clearly visible, with more markets opening up for engineering sector, capacity addition in manufacturing of food products and, the overall food industry and engineering markets are expected to remain healthy in 2024-25.

Threats relating to changes in the global markets such as recent financial meltdown, regulatory or political changes and alteration in the government policies may affect the company outlook and performance. We acknowledge the existence of certain market challenges, including volatility in material prices and the availability of high-quality steel.

**(c) Segment-wise Performance:**

Your company has divided its business in two segments i.e., Engineering Division and Food division.

The company reported steady performance in the financial year 2023-24. During the year under review, the turnover of engineering business has increased by 18% and profits for the engineering division showed an increase of 3.40% compared to the previous financial year.

The food division has shown an increase in turnover by 13% and reduction in profits by 53% compared to the previous financial year mainly due to depreciation effect of the new factory set up.

**(d) Outlook:**

The Indian economy has been performing well, with robust consumption activity and increasing disposable income. Globally, the economic outlook is cautiously optimistic. The risks to global growth are broadly balanced, and a soft landing is possible. Amidst a challenging global scenario, India has emerged as a significant economic and geopolitical power. As per National Statistical Office (NSO), the real GDP growth is estimated at 8.2% for FY 2024 as compared to 7.0% in FY 2023.

The outlook of the company appears strong due to a healthy order book value.

**(e) Risk and concerns:**

The company could be susceptible to strategy, innovation and business or product portfolio related risks if there is any significant and unfavorable shift in industry trends, customer preferences and change in commodity prices of Raw materials.

Mazda does have the benefit of being well entrenched with many of its customers and getting repeat orders.

Risk emerging from global markets, regulatory or political changes could affect the company's operations and outlook. Pricing risks are their while quoting with lesser margins to obtain orders matching the prices of competition, leading to pressure on margins during execution. Such risks are averted by fixing minimum margins to be targeted and approval process for additional discounts, based on commercial justification and ensuring margin through back-to-back contracts wherever possible and with consent of client.

Process linkages right from obtaining orders to handing over to Client by planning effectively, timely deployment of resources, adherence to budgets and timelines. In the absence of proper linkage in this regard, actual cost and timelines may vary adversely.

**(f) Internal control systems, its adequacy and risk management:**

Your Company conducts its business with integrity, high standards of ethical behavior and in compliance with all applicable laws and regulations that governs its business. The company has in place a well-designed strong internal control system in accordance with the size and nature of business and complexity of operations. Internal Control Systems are implemented:

- To safeguard the Company's assets from loss or damage.
- To keep constant check on cost structure.
- To provide adequate financial and accounting controls and implement accounting standards.
- To detect and prevent fraud and to protect the resources of organization.
- To improve operational efficiency by improving the accuracy and timeliness of financial reporting.
- To set out rules and procedures to ensure the integrity of the financial statement.

During the year, the Company has taken steps to review and document the adequacy and operating effectiveness of internal controls. Nonetheless, your Company recognizes that any internal control framework, no matter how well designed, has inherent limitations and accordingly, regular audits and review processes ensure that such systems are reinforced on an ongoing basis.

Internal controls are continuously evaluated by the internal auditors and Management. Findings from the internal audits are reviewed by the management and the Audit Committee. The corrective actions and controls have been put in the place wherever necessary.

The Company ensures the periodical Internal Audit is conducted by an independent auditor, whose report is submitted to the Audit Committee and Board of Directors for consideration. During the financial year 2023-24, no significant deficiencies/material weaknesses that might impact financial statements have been reported by the Internal Auditor as at the Balance Sheet date.

**(g) Financial performance including Financial Ratios with respect to operational performance:**

The discussion covers the financial results and other developments during the year under review in respect of the company's published result prepared as per Indian Accounting Standards (IND AS). Highlights below are given only for comparison.

**Financial Highlights for operating performance of financial year 2023-24: (Rs. In lacs)**

Particulars	2023-24	2022-23
Total Income	23,201.07	19,385.80
EBITDA	4,634.95	3,950.47
PBT	4,179.00	3,572.23
PAT	3,152.03	2,662.64

**Financial Ratios pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015:**

Ratios	2023-24	2022-23
(a) Current Ratio	6.82	4.25
(b) Debt-Equity Ratio	-	-
(c) Debt Service Coverage Ratio*	107.90	172.43
(d) Return on Equity (ROE) ratio (%)	15.83	15.22
(e) Inventory Turnover Ratio	5.08	4.38
(f) Trade Receivables Turnover Ratio	6.45	4.89
(g) Trade Payables Turnover Ratio	6.34	6.80
(h) Net Capital Turnover Ratio	1.64	1.73
(i) Net Profit Ratio (%)	13.98	13.90
(j) Return on Capital Employed (%)	19.29	18.89
(k) Return on Investment (%)	9.88	4.46

**(h) Details of change in Return on Net Worth as compared to the previous financial year:**

The Net Worth of the company stood at Rs. 18590.24 Lacs for the previous financial year as compared to Rs. 21,224.04 Lacs for the year 2023-24, whereas Return on Net Worth for the Year 2023-24 was 14.17% as compared to 14.32% for the previous financial year 2022-23.

**(i) Material developments in Human Resources, Industrial Relations, and Health, Safety & Environment:**

The company has a strong committed work force nurtured and backed by its professional culture coupled with innovative HR process aimed at strategic alignment with the business objectives.

The number of employees as on 31<sup>st</sup> March, 2024 was 233.

Your company's manufacturing facility at all five units and corporate office are ISO 9001:2015 & 14001:2015, and 45001:2018 certified.

**9. EMPLOYEE STOCK OPTION**

Your company has not issued any Stock Option to their employees.

**10. SUBSIDIARIES AND JOINT VENTURES**

There are no subsidiaries or joint ventures of your company.

**11. DIRECTORS**

As on 31<sup>st</sup> March, 2024, the Company has eight Directors comprising of two Whole-Time Directors and six Non-executive Directors out of which Three are Independent Directors. There are three women directors out of the Eight Directors.

In accordance with the provisions of Section 152 of the Act and Articles of Association of the company, Mrs. Houtoxi Contractor (DIN: 00499260) and Mrs. Shanaya Mody Khatua (DIN: 01241585), Directors retires by rotation at the forthcoming Annual General Meeting and being eligible offers themselves for re-appointment. The Board recommends their re-appointment for the consideration of the Members of the company at the forthcoming Annual General Meeting.

A resolution seeking shareholders' approval for their re-appointment along with other required details forms part of the Notice.

In pursuance to the provisions of Section 149(10) & (11) of the Act, the tenure of the three Independent Directors is coming to an end at the ensuing Annual General Meeting. The Board of Directors wish to sincerely appreciate and express gratitude for the

extensive knowledge and invaluable guidance provided by Mr. Mohib Khericha, Mr. Saurin Palkhiwala and Mr. Nilesh Mankiwala during their distinguished tenure with the Company. Their innovative ideas and strategic thinking have been instrumental in propelling the company to new heights, and their contributions are deeply recognized and admired.

Mr. Mohib Khericha, Chairman of the company being associated with the company since 1992, will be continuing his position as a Non-Executive and now being non-independent Director of the company after completion of his tenure as Independent Director.

Henceforth, three new independent directors are proposed to be appointed at the ensuing Annual General Meeting of the company. A special resolution proposing appointment of Mr. Mihir Dinesh Mehta (Din: 10733016), Mr. Ashok Ruplal kavdia (Din: 00054601) and Mrs. Shetal Utkarsh Bhatt (Din: 10733013) as an Independent Directors of the Company with effect from September 09, 2024 for the term of five years is part of the notice of the ensuing annual general meeting.

Pursuant to the provisions of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and Secretarial Standard-2 on General Meetings issued by ICSI, brief particulars of the directors proposed to be appointed / re-appointed are provided as an annexure to the notice convening the Annual General Meeting.

All the directors of the company had confirmed that they are not disqualified under the provisions of the Section 164 of the Act.

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations read with Regulation 25 of the SEBI Listing Regulations and have complied with the Code prescribed in Schedule IV to the Act.

The Board is of the opinion that the Independent Directors of the Company have fulfilled the conditions as specified in SEBI Listing Regulations, are independent of the management, possess requisite qualifications, experience, proficiency and expertise in the fields of finance, auditing, tax and risk advisory services, banking, financial services, investments and they hold highest standards of integrity.

All Independent Directors of your company are registered with IICA. There has been no change in the circumstances affecting their status as independent directors of the Company during the year under review.

#### **12. KEY MANAGERIAL PERSONNEL**

Pursuant to provisions of Sections 2(51) and 203 of Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 following persons act as Key Managerial Personnel of the company during the year under review;

- a. Mr. Percy Avari, Whole-Time Director (DIN:00499114)
- b. Mrs. Shanaya Mody Khatua, Whole-Time Director (DIN: 01241585)
- c. Mr. Cyrus Bhagwagar, Chief Financial Officer
- d. Mr. Nishith Kayasth, Company Secretary

During the year under review, there are no change in the Key Managerial Personnel of the company.

#### **13. NUMBER OF MEETINGS OF THE BOARD**

During the year under review, the Board of Directors met for four (4) times, as prescribed under the Act and SEBI Listing Regulations. The relevant details, including composition of the Board, dates of meetings, attendance and various committees of the Board are given in the Corporate Governance Report forming part of this report.

#### **14. BOARD EVALUATION**

According to the provisions of the Act and Regulation 17 of SEBI Listing Regulations, the Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors. Further, the Nomination & Remuneration Committee has carried out the performance evaluation of Senior Management including the Company Secretary and Chief Financial Officer of the company.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated by the Independent Directors. The evaluation of Chairman was done based on criteria which among others included managing relationship with shareholder, employees, board, management and leadership qualities. The performance of all Executive Directors as well as Independent Directors has been evaluated by whole Board based on the criteria which includes participation at Board/Committee Meetings, managing relationships with other fellow members and Senior management, personal attributes like ethics and integrity etc. The manner in which the evaluation was carried out has been explained in the Corporate Governance Report forming part of this report.

The Board of Directors expressed their satisfaction with the evaluation process.

#### **15. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirements under Section 134(3) (c) of the Act, with respect to Directors' Responsibility Statement, your Directors hereby confirm the following:

- (i) In the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31<sup>st</sup> March, 2024 and of the profit of the company for the year ended on that date;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts on a going concern basis;
- (v) The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- (vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**16. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The requisite details as required by Section 178(3) & (4) of the Act and as per the requirement of SEBI Listing Regulations is given in the Corporate Governance Report forming part of this report.

The policy of the company on Directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Act, is available on the website, i.e., [https://www.mazdalimited.com/Remuneration-Nomination-policy\\_MazdaLimited.pdf](https://www.mazdalimited.com/Remuneration-Nomination-policy_MazdaLimited.pdf)

**17. ANNUAL RETURN**

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act read with Companies (Management and Administration) Rules, 2014, the Annual Return is available on the website of the company i.e., on <https://www.mazdalimited.com/investor-relation.html>

**18. AUDIT COMMITTEE**

The Audit Committee of the Board consists of three Directors viz. Mr. Mohib Khericha, Mrs. Sheila Mody and Mr. Saurin Palkhiwala. Two of them are Independent Directors. The composition, role, terms of reference and powers of the Audit Committee are in accordance with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Act and Rules framed thereunder. The details of related party transactions are placed before the Audit Committee for periodical review of the same. The Company has in place a Vigil Mechanism, details of which are available on the Company's website.

The details pertaining to composition of audit committee, their attendance is included in the Corporate Governance Report, which forms part of this report.

During the year under review, the Board has accepted all the recommendations made by the Audit Committee.

**19. SHARE CAPITAL**

The share capital of the company as on date of the report is Rs. 4,00,50,000/- consisting of 40,05,000 equity shares of Rs. 10.00 each.

**20. TRANSFER TO RESERVES**

The company has not transferred any amount to the General Reserve for the financial year ended 31<sup>st</sup> March, 2024.

**21. CHANGES IN THE NATURE OF BUSINESS, IF ANY**

During the year under review, there were no changes in the nature of business carried out by the company. The company has not changed the class of business in which the company has an interest.

**22. REPORTING OF FRAUD BY STATUTORY AUDITORS**

There was no instance of fraud during the year under review, which required the Statutory Auditor to report to the Audit Committee and / or Board under section 143 (12) of the Act.

**23. AUDITORS AND AUDITORS' REPORT**

• **Statutory Auditor**

At the 32<sup>nd</sup> Annual General Meeting held on 28<sup>th</sup> September, 2022, the members approved re-appointment of M/s Mayank Shah & Associates, Chartered Accountants, Ahmedabad (Registration No. 106109W) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of 32<sup>nd</sup> AGM up to the conclusion of 37<sup>th</sup> AGM to be held in the year 2027.

The Board has taken note and M/s Mayank Shah & Associates, Chartered Accountants, have confirmed their eligibility under section 141 of the Act and the Rules framed thereunder as Statutory Auditors of the company. As required under

SEBI Listing Regulations, the Auditors have also confirmed that they hold a valid certificate issued by the peer review Board of the Institute of Chartered Accountants of India.

There are no qualifications, reservations or adverse remarks or disclaimers made by the auditors in their report on the financial statements of the company for the financial year ended 31<sup>st</sup> March, 2024. The notes on the Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any comments or explanations.

- **Secretarial Auditor**

Pursuant to requirement of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed M/s Rutul Shukla & Associates, Practicing Company Secretaries (COP: 7470), to undertake the Secretarial Audit and to provide Annual Secretarial Compliance Report of the company for the financial year 2023-24. Secretarial Audit Report is given by M/s Rutul Shukla & Associates, Practicing Company Secretaries and is attached herewith as **Annexure-A**.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

- **Cost Auditor**

Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, (including any statutory modifications and re-enactments thereof) the cost audit records maintained by the company in respect of its manufacturing of other Engineering Goods activity is required to be audited.

As per the requirement of Section 148(3) of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors have, based on the recommendation of the Audit Committee, appointed M/s. V. H. Shah & Co., Cost Accountant, Ahmedabad (Registration No. 100257) to audit the cost accounts of the company for the financial year 2023-24. As required under the Act, necessary resolution seeking members' ratification for the remuneration payable to M/s. V. H. Shah & Co., is forming part of the notice convening 33<sup>rd</sup> Annual General Meeting of the company.

The firm M/s. V. H. Shah & Co., Cost Accountant was dissolved during the period under review due to the sad demise of one of the partners of the firm. Due to the casual vacancy arise in the office of the cost auditor the same had been filed by the Board of Directors as per Rule 6 (3A) of the Companies (Cost Records and Audit) Rules, 2014 and appointed M/s. Nisha Patel & Associates, Cost Accountant to conduct the cost audit for the financial year 2023-24. Ms. Nisha Patel was the partner of M/s. V. H. Shah & Co., Cost Accountants and Cost auditor of the company.

The Cost Audit Report for the financial year 2023-24 will be submitted to the Central Government in the prescribed format within the time line prescribed under the rules.

**24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT**

Particulars of loans and guarantees given and the investments made by the company as at 31<sup>st</sup> March, 2024 form part of the Notes to the financial statements provided in this integrated Annual Report.

During the financial year under review, the company has made investments in schemes of various mutual and debt funds. The market value of investments as at 31<sup>st</sup> March, 2024 was Rs. 7,765.26 Lacs.

**25. RELATED PARTY TRANSACTIONS**

In line with the requirements of the Act and SEBI Listing Regulations, your company has formulated a Policy on Related Party Transactions which is available on company's website at [https://www.mazdalimited.com/Related-Party-Transaction-Policy\\_MazdaLimited.pdf](https://www.mazdalimited.com/Related-Party-Transaction-Policy_MazdaLimited.pdf).

This Policy deals with the review and approval of related party transactions. The Board of Directors of the company has approved the criteria for giving the omnibus approval by the Audit Committee within the overall framework of the Policy on Related Party Transactions.

All related party transactions entered during the year under review were on arm's length basis and were in the ordinary course of business. All transactions with related party were reviewed and approved by the audit committee. No material contracts or arrangements with related parties were entered into during the year under review. Accordingly, the disclosure of Related Party Transactions as required in terms of Section 134(3)(h) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 in Form AOC -2 is not applicable to your company.

The related party disclosures as specified in Para A of Schedule V read with Regulation 34(3) of the SEBI Listing Regulations are given in the Financial Statements.

**26. STATE OF AFFAIRS OF THE COMPANY**

The state of affairs of the company are mentioned in the Management Discussion and Analysis Report.

**27. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There have been no material changes and commitments, affecting the financial position of the company, which have occurred between the end of the financial year of the company and the date of this report, except as disclosed elsewhere in the report.



**28. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS & OUTGO**

The particulars relating to conservation of energy and technology absorption, as required to be disclosed in terms of Section 134 of the Act, read with the Companies (Accounts) Rules, 2014, is attached as **Annexure – B**.

**29. MITIGATION OF RISK**

Your company has been addressing various risks impacting the company which is provided in the Management Discussion and Analysis Report. However, as per the Listing Regulation constitution of Risk Management Committee for enforcing Risk Management Policy is not applicable to the company.

**30. CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR)**

In accordance with the provisions of Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 your company has amended the policy as per the recommendation of the CSR Committee with the approval of the Board. The CSR policy is available on the website of the company at [https://www.mazdalimited.com/CSR-Policy\\_MazdaLimited.pdf](https://www.mazdalimited.com/CSR-Policy_MazdaLimited.pdf).

The composition of the Committee and other details are provided in Corporate Governance Report.

The company has implemented various CSR activities through implementing agencies and the activities undertaken by the company are in accordance with the Schedule VII of the Act. The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure-C**.

**31. PARTICULARS OF REMUNERATION OF MANAGERIAL PERSONNEL AND RELATED DISCLOSURES**

The Board of Directors on the recommendations of the Nomination and Remuneration Committee (NRC), has framed a Policy on selection and appointment of Director(s), Senior Management Personnel and their remuneration. The salient features of Remuneration Policy is stated in the Corporate Governance Report and the policy is available on the website of the company i.e. [https://www.mazdalimited.com/Remuneration-Nomination-policy\\_MazdaLimited.pdf](https://www.mazdalimited.com/Remuneration-Nomination-policy_MazdaLimited.pdf).

The statement of disclosure of Remuneration under Section 197(12) of the Act read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure – D** to this Report.

In terms of the provisions of Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a Statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report in **Annexure- D** to this Report.

**32. REPORT ON CORPORATE GOVERNANCE**

The Board of Directors reaffirm their continued commitment to good corporate governance practices. During the year under review, the company has complied with the provisions relating to corporate governance as provided under the Listing Regulations. The compliance report together with a certificate from the Secretarial Auditor confirming the compliance is forming part of the Report on Corporate Governance, which forms part of the Annual Report.

**33. SIGNIFICANT ORDERS PASSED BY THE REGULATORS, COURTS OR TRIBUNALS IMPACTING GOING CONCERN AND COMPANY'S OPERATIONS**

To the best of our knowledge, the company has not received any such orders passed by the regulators, courts or tribunals during the year, which may impact the going concern status or company's operations in future.

**34. INTERNAL FINANCIAL CONTROL SYSTEM**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2023-24.

**35. THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance towards sexual harassment at the workplace. A detailed POSH Policy is in place as per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Act").

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, there were no cases filed pursuant to the said Act.

**36. COMPLIANCE WITH SECRETARIAL STANDARDS**

The applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively, have been duly complied by your Company during the financial year under review.

**37. VIGIL MECHANISM / WHISLTE BLOWER POLICY**

Pursuant to the provisions of Section 177 (9) & (10) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of SEBI Listing Regulations, the Board has framed a 'Whistle Blower Policy and Vigil Mechanism'.

The Company believes in the conduct of the matters in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.

The Policy has been framed with a view to provide a mechanism, inter alia, enabling stakeholders including Directors, individual employees of the Company and their representative bodies to freely communicate their concerns about illegal or unethical practices and to report genuine concerns or grievances as also to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct.

The policy can be accessed on the company's website at [https://www.mazdalimited.com/Vigil-Mechanism-policy\\_MazdaLimited.pdf](https://www.mazdalimited.com/Vigil-Mechanism-policy_MazdaLimited.pdf).

During the year, no person has been declined access to the Audit Committee, wherever desired.

**38. ESOP**

The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

**39. Insolvency and Bankruptcy Code, 2016**

There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.

**40. APPRECIATION**

Your Directors are highly grateful for the unstinted support of the Stakeholders, including the Central and State Government Authorities, Stock Exchanges, Financial Institutions, Analysts, Advisors, Local Communities, Customers, Vendors, Business Partners, Shareholders, and Investors forming part of the company for their faith, trust and confidence reposed in the company.

Your directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees to ensure that the company continues to grow and excel in future.

**41. CAUTIONARY NOTE**

Statements in the "Management Discussion and Analysis" describing the Company's objectives, expectations or predictions are as perceived currently. Actual results may differ materially from those expressed in this statement. Important factors that could influence the company's operations include supply and demand conditions affecting selling prices of finished goods, input prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

**For and on behalf of the Board**

Place : Ahmedabad  
Date : 07/08/2024

**Sd/-**  
**Mohib Khericha**  
Chairman  
(DIN: 00010365)

**Sd/-**  
**Percy Avari**  
Whole Time Director  
(DIN: 00499114)



## Annexure-A

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 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,  
**Mazda Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mazda Limited (CIN: L29120GJ1990PLC014293) (hereinafter called 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.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company, 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 the financial year ended on **31<sup>st</sup> March, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 31<sup>st</sup> March, 2024 and made available to us, according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder, as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) to the extent applicable to the Company: -
  - (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;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and 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, 2009 (Not Applicable to the Company during the Audit Period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company during the Audit Period);
- (vi) As identified by the Company management, and based on the compliance system prevailing in the Company and explanations and clarifications given to us and relied on the representations made by the company management, and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:
  - 1. The Indian Boilers Act, 1923 & Indian Boiler Regulations, 1950
  - 2. The Food Safety and Standards Act, 2006

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.



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.) Provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**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 period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were usually sent seven days in advance for meetings other than those held at shorter notice, 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.

Decisions at the Board and its Committee Meetings, as represented by the management, were taken unanimously.

**We further report that**, based on the information provided and the representation made by the Company and also on the review of the compliance certificates / reports taken on record by the Board of Directors of the Company, in our opinion 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 there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing on the Company's affairs.

**For Rutul Shukla & Associates,  
Company Secretaries**

Sd/-

**Rutul J. Shukla  
FCS: 6776 (CP: 7470)**

**UDIN: F006776F000890483**

**Place: Ahmedabad  
Date: 07<sup>th</sup> August, 2024**

Note: 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,  
**Mazda Limited**

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 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.
5. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
7. 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 Rutul Shukla & Associates,  
Company Secretaries**

Sd/-

**Rutul J. Shukla  
FCS: 6776 (CP: 7470)**

**UDIN: F006776F000890483**

**Place: Ahmedabad  
Date: 07<sup>th</sup> August, 2024**

## Annexure-B

Information on conservation of energy and technology absorption required in terms of section 134(3) (m) of the companies act, 2013 read with rule 8(3) of the companies (accounts) rules, 2014 is forming part of the Board's Report for the Financial Year 2023-24:

Sr. No.	Particulars	Action taken
1.	<b>Details of Conservation of Energy</b>	<ul style="list-style-type: none"> <li>• Use of energy efficient Machine, LED tube lights &amp; computer system in office &amp; factory premises</li> <li>• Replacement of old machinery with power efficient &amp; ecofriendly machinery from time to time</li> <li>• Setting up of solar systems at factory and office premises</li> </ul>
2.	<b>Research &amp; Development (R&amp;D)</b>	-
A.	Specific areas in which R&D carried out by the company	-
B.	Benefits derived as a result of the above R&D	-
C.	Future plan of action	-
D.	Expenditure on R&D	-
	a. Capital	-
	b. Recurring	-
	c. <b>Total</b>	-
	d. Total R&D expenditure as a percentage of total turnover	-
3.	<b>Technology absorption, adaptation and innovation</b>	
a)	Efforts, in brief, made towards technology absorption, adaptation and innovation	-
B.	Benefits derived as a result of the above efforts	-
C.	In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:	-
	a. Technology imported	-
	b. Year of import	-
	c. Has technology been fully absorbed?	-
	d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	-
4.	<b>Foreign Exchange earnings and outgo</b>	<b>(Amt in Rs Lacs)</b>
	<b>Particulars</b>	<b>2023-24</b>
	<b>Earnings</b>	5170.87
	<b>Outgo</b>	205.54

## Annexure-C

### The Annual Report on CSR Activities for FY 2023-24

**I. A brief outline of company's CSR policy:**

Since its inception, your company has been a socially responsible corporate making investments in the community which go beyond any mandatory legal and statutory requirements. The Company's CSR policy integrates social commitment with best corporate practices. In line with its core purpose, the CSR vision focusses on the areas of healthcare including preventive health care, promoting education and social empowerment. It outlines the approach and direction given by the Board, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of CSR activities as well as formulation of the annual CSR action plan.

In compliance with the provisions of section 135 of the Companies Act, 2013 including Schedule VII thereof, and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company shall undertake its CSR activities, projects, programmes in a manner compliant with the Act and the Rules. During the year under review, the company has carried out CSR activities in the area of Education, Healthcare including preventive healthcare etc. through Non-Profit Organizations.

**II. Composition of CSR Committee:**

Sr. No.	Name of Director	Designation / Nature of Directorship	No. of meetings held during the year	No. of meeting attended during the year
1.	Mrs. Sheila Mody (DIN: 00496561)	Chairperson, Non-Executive Director	1	1
2.	Mr. Mohib Khericha (DIN:00010365)	Member, Independent, Non-Executive Director	1	1
3.	Mr. Percy Avari (DIN: 00499114)	Member, Non-Independent, Executive Director	1	1

The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed: [https://www.mazdalimited.com/CSR-Policy\\_MazdaLimited.pdf](https://www.mazdalimited.com/CSR-Policy_MazdaLimited.pdf)

III. 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 : **Not Applicable**

IV. 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:

Sr. no.	Financial Year	Amount available for set-off from preceding F. Y	Amount required to be set-off for the F.Y if any
Not Applicable			

V. Average net profit of the company as per section 135(5): **Rs. 2669.80 Lacs**

VI. A. Two percent of average net profit of the company as per section 135(5): **Rs. 53.40 Lacs**

B. Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

C. Amount required to be set off for the financial year: **Nil**

D. Total CSR obligation for the financial year (7a+7b-7c): **Rs. 53.40 Lacs**

VII. (a) CSR amount spent or unspent for the financial year:

(Amt in Rs. Lacs)

Total amount spent for the F. Y	Amount Unspent				
	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
53.58	Not Applicable				

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
				Item from the list of activities in schedule VII to the Act	Local Area (Yes/No)						Location of Project	State
<b>Not Applicable</b>												

(c) Details of CSR amount spent against other than ongoing projects for the financial year 2023-24: **(Amt in Rs. Lacs)**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
							Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project
1	For Project 'Swarn' - a Program for Salt Worker & Aqanya Pregnant Women Nutrition			No	Kharaghoda, Gujarat	2.00	No	Setu Charitable Trust	CSR00029527
2	Distribution of ration kits to the needy people		Yes	Ahmedabad, Gujarat	2.50	No	Satyakam Foundation	CSR00019625	
3	Old age home maintenance		Yes	Ahmedabad, Gujarat	3.00	No	Aashta Foundation	CSR00054870	
4	Upliftment of street children under Project Prayas	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Ahmedabad, Gujarat	5.00	No	Karma Foundation	CSR00017932	
5	Aid to underprivileged section of the society		Yes	Ahmedabad, Gujarat	3.50	No	Ahmedabad Sarvar Mandal	CSR00001129	
6	Educational projects for children		Yes	Ahmedabad, Gujarat	1.80	No	Smile Foundation	CSR00001634	
7	Smart Board requirement at Hanspura Prathamik Shala		Yes	Ahmedabad, Gujarat	1.30	No	Amdavad Jilla Gramodhyog Sangh	CSR00007570	
8	Lunch meals to students of government schools		Yes	Ahmedabad, Gujarat	1.50	No	The Akshaya Patra Foundation	CSR00000286	
9	Welfare of Veterans, their widows and their wards		Yes	Ahmedabad, Gujarat	3.00	No	The Gujarat Ex- Services league	CSR00034202	
10	Distribution of Food Kits to needy people		Yes	Ahmedabad, Gujarat	1.50	No	Ushita Te Foundation	CSR00024458	
11	Support to curb malnutrition in children		Yes	Ahmedabad, Gujarat	3.50	No	Udan Charitable Trust	CSR00027349	
12	Equipment for general surgery operation theatre	promoting health care including preventive health care	Yes	Ahmedabad, Gujarat	5.02	No	Thakershy Charitable Trust	CSR00016132	
13	Equipment For ophthalmic and keratoplasmy surgery		Yes	Ahmedabad, Gujarat	8.96	No	Blind People's Association	CSR00000936	
14	Sponsoring patients for Mammography and kidney dialysis		Yes	Ahmedabad, Gujarat	5.00	No	Sanjivani Health & relief Committee	CSR00008578	
15	Support to running expenses of the hospital and treatment of Laborers and their families		Yes	Ahmedabad, Gujarat	1.00	No	Naroda Industries Association Hospital Charitable Trust	CSR00024177	
16	Sponsorship for needy children for Pediatric Cataract Surgery		Yes	Ahmedabad, Gujarat	5.00	No	Health and Care Foundation	CSR00005410	

- (d) Amount spent in Administrative Overheads: **Nil**
- (e) Amount spent on Impact Assessment: **Not Applicable**
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs. 53.58 Lacs**
- (g) Excess amount for set off, if any:

Sr. no.	Particulars	Amount in Rs. lacs
1.	Two percent of average net profit of the company as per section 135(5)	53.40
2.	Total amount spent for the Financial Year	53.58
3.	Excess amount spent for the financial year [(ii)-(i)]	0.18
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.18

VIII. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding FY	Amount transferred to unspent CSR Account u/s 135(6)	Amount spent in reporting FY	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding FY
				Name of the fund	Amount	Date of transfer	
Not Applicable							

(b) 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)
Sr. No.	Project ID.	Name of the Project	FY in which project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting FY	Cumulative amount spent at the end of reporting FY	Status of the project - Completed /Ongoing
Not Applicable								

IX. 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: **Not Applicable**

- (a) Date of creation or acquisition of the capital asset(s): **None**
- (b) Amount of CSR spent for creation or acquisition of capital asset: **NIL**
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: **Not applicable**
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **Not applicable**

X. 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**

Place : Ahmedabad  
Date : 07/08/2024

**Sd/-**  
**Percy Avari**  
Whole Time Director  
(DIN: 00499114)

**Sd/-**  
**Sheila Mody**  
Chairperson CSR Committee  
(DIN:00496561)



## Annexure-D

**Particulars Pursuant to Section 197(12) of the Companies Act, 2013 and rule 5(1) of Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014:**

- 1) Ratio of Remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31<sup>st</sup> March, 2024

Sr. No.	Executive Directors	Remuneration Rs. in Lacs	Median remuneration Rs. in Lacs	Ratio
1.	Mr. Percy Avari, Whole-Time Director (DIN:00499114)	214.58	4.00	53.65
2.	Mrs. Shanaya Mody Khatua, Whole-Time Director (DIN: 01241585)	214.58	4.00	53.65

- 2) Percentage increase in the remuneration of each Director, CFO & Company Secretary in the financial year:

Sr. No.	Director, CFO & Company Secretary	% increase in the remuneration in the financial year
1.	Mr. Percy Avari, Whole-Time Director (DIN: 00499114)	1.83%
2.	Mrs. Shanaya Mody Khatua, Whole-Time Director (DIN: 01241585)	1.83%
3.	Mr. Cyrus Bhagwagar, CFO	7.16%
4.	Mr. Nishith Kayasth, Company Secretary	18.03%

**Note to Point No. 1 & 2:** Non-executive Directors are paid sitting fees only. The executive directors are receiving 2% commission based on net profits.

- 3) Percentage increase in median remuneration of employees in the financial year: The remuneration of median employee has increased by 10.50% during the financial year.
- 4) The number of permanent employees on the rolls of the company as on 31st March, 2024: There are 233 employees on the payroll of the company.
- 5) Average percentile increases already made in the salaries of the 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 increase in salaries of the employees other than Managerial Personnel in 2022-23 was 12% and there is an increase in managerial personnel remuneration during the year under review as there was no increase provided in the last financial year and the increase is mainly due to commission provided on profit of the company.
- 6) It is affirmed that the remuneration paid to the Directors and senior management is as per the 'Remuneration policy' adopted by the Company.
- 7) The Statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197 (12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: **Yes.**

(Figures in Rs. lacs)

Sr. No.	Name of employees	Remuneration in the financial year 2022-23
1.	Mr. Percy Avari, Whole-Time Director (DIN: 00499114)	214.58
2.	Mrs. Shanaya Mody Khatua, Whole-Time Director (DIN: 01241585)	214.58



## REPORT ON CORPORATE GOVERNANCE

[Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")]

Following is the report on Corporate Governance Code as put into practice by your company.

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate governance aims to promote transparency, accountability, fairness, and responsibility in corporate decision-making to ensure the long-term success and sustainability of the organization. It is a reflection of value system, culture, policies, and relationships with stakeholders. It refers to the systems and processes that guide and control how corporations are directed and managed. It involves balancing the interest of various stakeholders, such as shareholders, management, customers and the society.

At Mazda, it is crucial that Company's affairs are managed in a fair and transparent manner to gain and retain the trust of stakeholders. The goal of your company is to ensure fairness for every stakeholder – our customers, investors, vendor-partners, the community. We uphold integrity and transparency in all transactions and communications to stakeholders. We ensure adequate, timely and accurate disclosure on all material matters including the financial situation, performance, ownership and governance of the Company to the stock exchanges and the investors.

#### Corporate governance philosophy

Our corporate governance philosophy is based on the following principles:

- Complying with not just letter of law but spirit of law.
- To have impact on overall economic performance and market integrity.
- Facilitating equitable treatment to shareholders.
- Ensuring timely and accurate disclosure of all material matters.
- To maximize social contribution for welfare of the society to meet corporate social responsibilities of the company

The company is in compliance with the regulations of Corporate Governance as prescribed by the SEBI Listing Regulations and amendments thereof.

### 2. BOARD OF DIRECTORS

The Board of Director (Board) is entrusted with the responsibility of overseeing and advising a company so that it functions as effectively as possible. The board ensures that an organization operates lawfully and in the interests of the company's shareholders and other stakeholders and provide desired growth to the organization. The Board comprises of eminent and distinguished personalities with proficiency and vast experience in their respective fields with an optimum combination of management and financial experts thereby ensuring the best interest of the stakeholders and the Company. The two Whole-Time Directors of the company manages the business of the company under the overall supervision, guidance and control of the Board.

#### (a) Composition of Board and attendance

The company has a balanced Board with judicious mix of Executive and Non-Executive including Independent Directors who play a vital role in Board processes and making well informed and high-quality strategy and policy decisions. The composition of Board of the company is in accordance with the requirements of Section 149(4) of the Companies Act 2013 ("Act") and Regulation 17 of the SEBI Listing Regulations. As on 31<sup>st</sup> March 2024, the Board comprised of 8 (eight) Directors of which 3 (three) are Non- Executive Non-Independent Directors, 3 (three) are Non-Executive Independent Directors including Chairman and 2 (two) Executive Directors.

The Board is well diversified and consists of three women Directors and 1 Director who is a foreign national. The composition of our Board and it's committees is available on our website at <https://www.mazdalimited.com/pdf/List%20of%20Directors.pdf> and <https://mazdalimited.com/documents/Composition%20of%20Committees.pdf>

The particulars of composition of the Board of Directors and their attendance at the Board Meetings held during the year under review and at the last Annual General Meeting are mentioned below:

Name of the Directors	Category of Directors	No. of Board Meetings attended	Attendance at the last AGM	Directorships in other Indian Public Limited Companies	No. of Committees in which Chairperson / Member		List of Directorship held in Other Listed Companies and Category of Directorship
					Member	Chairperson	
Mr. Mohib N. Khericha, Chairman (DIN: 00010365)	Non-Executive & Independent	4 of 4	Yes	4	2	1	<ul style="list-style-type: none"> <li>TD Power Systems Limited (Non-Executive Director)</li> <li>Chartered Capital and Investment Limited (Managing Director)</li> </ul>
Mr. Samuel W. Croll- III (DIN: 01407244)	Non-Executive	3 of 4	Leave sought	Nil	Nil	Nil	Nil
Mrs. Sheila S. Mody (DIN: 00496561)	Non-Executive	4 of 4	Yes	Nil	Nil	Nil	Nil
Mrs. Houtoxi F. Contractor (DIN: 00499260)	Non-Executive	2 of 4	Leave sought	Nil	Nil	Nil	Nil
Mr. Nilesh C. Mankiwala (DIN: 06927530)	Non-Executive & Independent	4 of 4	Yes	Nil	Nil	Nil	Nil
Mr. Saurin V. Palkhiwala (DIN: 03604769)	Non-Executive & Independent	4 of 4	Yes	Nil	Nil	Nil	Nil
Mr. Percy X. Avari, Whole-Time Director (DIN: 00499114)	Executive	4 of 4	Yes	Nil	Nil	Nil	Nil
Mrs. Shanaya Mody Khatua, Whole-Time Director (DIN: 01241585)	Executive	4 of 4	Yes	Nil	Nil	Nil	Nil

**Notes:**

- None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee, as per Regulation 26 (1) of the SEBI Listing Regulations), across all the Companies in which he/ she is a director. All the Directors have made necessary disclosures regarding committee positions held by them in other companies as on 31<sup>st</sup> March, 2024.
- These numbers exclude the directorship/committee membership held in your company and in private limited companies, foreign companies, companies registered under Section 8 of the Act and alternate directorship.
- It includes only the chairmanship/membership of the Audit Committee and Stakeholders' Relationship Committee excluding the Committee membership / Chairmanship in your company.
- As on 31<sup>st</sup> March, 2024, none of the Directors of the company were related to each other except Mrs. Sheila Mody and Mrs. Shanaya Mody Khatua.
- All Independent Directors of the Company have furnished declarations that they meet the requirements of being independent as per Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. These were placed before the Board. The Board, based on the declaration(s) received from the Independent Directors, have verified the accuracy of such disclosures and confirmed that the Independent Directors fulfil the conditions of Independence specified in the SEBI Listing Regulations and are independent of the management of the Company.
- There is no instance where the Board has not accepted any recommendation of any committee of the Board, which is mandatorily required in the financial year 2023-24.
- Video / Audio teleconferencing facilities are used as and when required to facilitate directors at foreign locations to participate in the meetings.
- During the period under review, none of the directors of the company had resigned including independent directors.

**(b) Skills / expertise / competencies of the Board of Directors:**

The Board comprises qualified members possessing required skills, expertise and competence in making effective contributions towards the growth of the company. In the opinion of the Board below mentioned skills are possessed by the Board as on 31<sup>st</sup> March, 2024:

Business Strategies	Ability to identify vision and value creation and seize opportunities for short & long-term business growth, bring in new insights & innovative ways to achieve including in areas of business development, strategic planning, succession planning, and guiding the company and its senior management towards its vision and values.
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Finance & Accounting Expertise	The Company uses various financial metrics to measure its performance. Accurate Financial Reporting and Strong Auditing are critical to its success. The Company expects its directors to have an understanding of Finance and Financial Reporting Processes and ability to understand financial policies, accounting statements and disclosure practices and contribute to the financial/risk management policies/ practices of the company.
Corporate Governance	Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, managing stakeholders' interests and Company's responsibilities towards customers, employees, suppliers, regulatory bodies, and the communities in which it operates. Experience in boards and committees of other large companies.
Industry knowledge and Experience	Establish sound knowledge & possess thorough working experience of the industry in which the organization operates with specific reference to the relevant laws, rules, regulation policies applicable to the organization/ industry/ sector and level/ status of compliances.
Personal Values	Personal characteristics that match the Company's values, such as integrity, accountability, and high-performance standards.
Global Experience	Ability to have access and understand business models of global businesses, relating to the developments of leading global corporations and assist the company have a network of contacts in global corporations and industry worldwide.
Sales and Marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance Company reputation.

The mapping of the Skill Matrix for the Financial Year 2023-24 for all the Directors is as follows:

Name of Director	Area of Skills / Expertise						
	Business Strategies	Finance & Accounting Expertise	Corporate Governance	Industry knowledge and experience	Personal Values	Sales and Marketing	Global Experience
Mr. Mohib Khericha (DIN:00010365)	√	√	√	√	√	√	-
Mr. Samuel Croll- III (DIN: 01407244)	√	√	√	√	√	√	√
Mrs. Sheila Mody (DIN: 00496561)	-	√	√	√	√	-	-
Mrs. Houtoxi Contractor (DIN: 00499260)	-	√	√	√	√	√	-
Mr. Nilesh Mankiwala (DIN: 06927530)	-	-	√	√	√	-	√
Mr. Saurin Palkhiwala (DIN: 03604769)	√	√	√	-	√	-	-
Mr. Percy Avari (DIN: 00499114)	√	√	√	√	√	√	√
Mrs. Shanaya Mody Khatua (DIN: 01241585)	√	√	√	√	√	√	√

**(c) Details of Board Meetings held during the year:**

The meetings are convened by giving proper advance notice after obtaining approval from the Chairman of the Board. The agenda papers which are confidential in nature were placed on the table before the Board with the permission of the Chairman. As per the convenience of the Board members, the board meetings were held at the corporate office of the company situated at Ambawadi, Ahmedabad.

During the year under review, the Board met 4 times on the following dates:

25 <sup>th</sup> May, 2023	10 <sup>th</sup> August, 2023	9 <sup>th</sup> November, 2023	12 <sup>th</sup> February, 2024
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The company has held at least one Board Meeting in every quarter and the gap between two meetings does not exceed 120 days. The necessary quorum was present in all the meetings. During the year under review, there are no circular resolutions passed by the members of the Board. Majority of the Board Meetings were held in Video Conferencing / other Audio-Visual mode as allowed under MCA Circulars and SEBI circulars.

**(d) Shareholding of the Directors:**

Statement showing number of equity shares of the company held by the Directors as on 31<sup>st</sup> March, 2024:

Name of the Directors	Category of the Directors	Number of Equity Shares of Rs. 10/- each
Mr. Mohib Khericha (DIN: 00010365)	Non-Executive & Independent	Nil
Mr. Samuel Croll- III (DIN: 01407244)	Non-Executive	Nil
Mrs. Sheila Mody (DIN: 00496561)	Non-Executive	2,75,700
Mrs. Houtoxi Contractor DIN: 00499260)	Non-Executive	592
Mr. Nilesh Mankiwala (DIN: 06927530)	Non-Executive & Independent	Nil
Mr. Saurin Palkhiwala (DIN: 03604769)	Non-Executive & Independent	Nil
Mr. Percy Avari (DIN: 00499114)	Executive & Whole- Time Director	4,06,088
Mrs. Shanaya Mody Khatua (DIN: 01241585)	Executive & Whole- Time Director	12,54,228

**(e) Code of Conduct for Directors:**

The company has adopted "Code of Conduct for Board Members and Managerial Personnel". A copy of code is posted on the website of the company [https://mazdalimited.com/wp-content/uploads/2020/07/Code-of-Conduct\\_Board-of-Directors-Senior-Management-Personnel.pdf](https://mazdalimited.com/wp-content/uploads/2020/07/Code-of-Conduct_Board-of-Directors-Senior-Management-Personnel.pdf)

All Directors on the Board have affirmed compliance with the Code of Conduct. Affirmation from the Whole-Time Director regarding the compliance with the Code of Conduct by all the Directors is forming part of the Report.

**(f) Disclosures regarding Directors Retiring by rotation and being re-appointed:**

Mrs. Houtoxi F. Contractor, Director and Mrs. Shanaya Mody Khatua, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment.

The brief profile of Mrs. Houtoxi F. Contractor and Mrs. Shanaya Mody Khatua is given in the Notice of the Annual General Meeting.

**(g) Appointment of Independent Directors:**

As per the provisions of Section 149 (10) & (11) of the Act the term of three independent directors is coming to end in the ensuing Annual General Meeting. In the ensuing 34<sup>th</sup> Annual General Meeting three new independent directors are proposed for the appointment.

**3. AUDIT COMMITTEE**

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the company. The purpose of the Committee is to check the quality and integrity of accounting, auditing and financial reporting process and review the internal audit reports and other financial reports to enhance the confidence in the integrity of the company's financial reporting.

The Board of the company has constituted the Audit Committee in accordance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. As on 31st March 2024, the Audit Committee of the company comprises of three Directors. All the members of the Committee are Non-Executive Directors. The Committee members are having requisite experience in the fields of Finance, Accounts and Management. The Chairman of the committee possesses expertise in the field of Finance and Accounting.

The Audit Committee comprises of experts specializing in accounting / financial management. The composition, quorum, powers, role and scope are in accordance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. The composition of the Audit Committee as well as the particulars of attendance at the committee meetings during the year and other related details are given in the table below:

Sr. No.	Name of the Director(s)	Designation	No. of meetings held and attended during the period
1.	Mr. Mohib Khericha (DIN: 00010365)	Chairman, Non-Executive & Independent Director	4 of 4
2.	Mrs. Sheila Mody (DIN: 00496561)	Member, Non-Executive Director	4 of 4
3.	Mr. Saurin Palkhiwala (DIN: 03604769)	Member, Non-Executive & Independent Director	4 of 4

The Company Secretary of the company acts as the secretary to the Committee. The Chief Financial Officer, representatives of Statutory Auditor, Internal Auditor and Cost Auditor were invited to the meeting as and when they were required by the Audit Committee.



During the financial year, the Audit Committee met four times, ensuring the compliances with the requirement of the Act and Listing Regulations. The Committee met on the below mentioned dates:

25 <sup>th</sup> May, 2023	10 <sup>th</sup> August, 2023	9 <sup>th</sup> November, 2023	12 <sup>th</sup> February, 2024
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The Chairman of the Audit Committee has attended the Annual General Meeting of the company.

**Terms of reference of the Audit Committee**

The principal terms of reference of the Audit Committee, as approved by the Board and as updated from time to time by the Board and as specified under Regulation 18 read with Part C of Schedule II of SEBI Listing Regulations and Section 177 of the Act, read with the Companies (Meeting of Board and its Power) Rules, 2014 are as under:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Reviewing the financial statements and the adequacy of internal audit;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Recommending to the Board, for the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of Statutory Auditors and the fixation of audit fees;
- Approval of the payment to statutory auditors for any other services rendered by them;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - b) Any change in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transactions;
  - g) Modified opinion(s) in the draft audit report, if any;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;
- To review the functioning of the whistle blower mechanism;
- Recommending to the Board, the appointment / reappointment of the Cost Auditors and Secretarial Auditor.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders if any;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Such other functions as may be specified by the Board of Directors of the company from time to time.

**The audit committee shall mandatorily review the following information:**

- Management discussion and analysis of financial condition and results of operations;

- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee

In addition to the above, the Committee shall have such functions / role / powers as may be specified in the terms of reference of the Audit Committee under applicable laws or as required by any statute.

#### 4. NOMINATION & REMUNERATION COMMITTEE

The committee was mainly constituted to provide guidance to the Board for appointment of top management and to address issues that require expertise, leadership skills, and willingness to participate actively of the proposed appointee as a director or member of the senior management. The Board of the company has constituted the Nomination and Remuneration Committee in compliance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

The composition of the committee as well as the particulars of attendance at the committee meetings during the year and other related details are given in the table below:

Sr. No.	Name of the Director	Designation	No. of meetings held and attended during the period
1.	Mr. Saurin Palkhiwala (DIN: 03604769)	Chairman, Non-Executive & Independent Director	1 of 1
2.	Mr. Mohib Khericha (DIN: 00010365)	Member, Non-Executive & Independent Director	1 of 1
3.	Mrs. Sheila Mody (DIN: 00496561)	Member, Non-Executive Director	1 of 1

The Company Secretary of the company acts as a Secretary to the Committee.

The meeting of the Nomination and Remuneration Committee was held on 25<sup>th</sup> May, 2023 during the financial year under review.

The Committee acts as a link between the Management and the Board of Directors. Besides having access to all required information within the company, the Committee may investigate any activity within its terms of reference, seek information from any employee, secure attendance of outsiders with relevant expertise or obtain legal or other professional advice from external sources, whenever required.

##### (a) Terms of reference of the Nomination & Remuneration Committee

The Nomination & Remuneration Committee shall act in accordance with the terms of reference, which shall include:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- formulating a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal;
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- recommend to the board, all remuneration, in whatever form, payable to the senior management;
- to administer and supervise Employee Stock Options Schemes (ESOS) including framing of policies related to ESOS and reviewing grant of ESOS, if any;
- Carrying out any other function as is mentioned in the terms of reference of the Nomination and Remuneration Committee.

##### (b) Remuneration to Non-executive Directors:

The Non-Executive Directors are paid remuneration by way of Sitting Fees. The Non-Executive Director/ Independent Directors do not have any material pecuniary relationship or transactions with the Company.

##### (c) Remuneration to Executive Directors

The appointment and remuneration of Executive Directors is governed on the basis of recommendation of the Nomination and Remuneration Committee and resolutions passed by the Board of Directors and Shareholders of the Company. The remuneration package of Executive Directors comprises of salary, perquisites and allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meeting. The executive directors are paid commission on profits as per the resolution passed by the members of the company.

The remuneration policy is directed towards rewarding performance, based on review of achievements. The Nomination and Remuneration Policy is displayed on the Company's website viz. [https://www.mazdalimited.com/Remuneration-Nomination-policy\\_MazdaLimited.pdf](https://www.mazdalimited.com/Remuneration-Nomination-policy_MazdaLimited.pdf)

(d) **The details of remuneration paid to the directors for the year under review are as follows:**

(Rs. in Lacs)

Name of Directors	Sitting Fees	Salaries, Perquisites & Other allowances	Commission	Total
Mr. Mohib N. Khericha (Chairman) (DIN: 00010365)	6.25	NIL	NIL	<b>6.25</b>
Mr. Samuel W. Croll – III (DIN: 01407244)	2.25	NIL	NIL	<b>2.25</b>
Mrs. Sheila S. Mody (DIN: 00496561)	6.35	NIL	NIL	<b>6.35</b>
Mrs. Houtoxi F. Contractor (DIN: 00499260)	1.50	NIL	NIL	<b>1.50</b>
Mr. Percy X. Avari (DIN: 00499114)	NIL	124.97	89.61	<b>214.58</b>
Mrs. Shanaya Mody Khatua (DIN: 01241585)	NIL	124.97	89.61	<b>214.58</b>
Mr. Nilesh C. Mankiwala (DIN: 06927530)	3.10	NIL	NIL	<b>3.10</b>
Mr. Saurin V. Palkhiwala (DIN: 03604769)	6.05	NIL	NIL	<b>6.05</b>

(e) **Criteria for Performance evaluation of Directors:**

The criteria for performance evaluation as laid down by the Nomination & Remuneration Committee, inter alia includes:

- Contributing to defined corporate objectives and plans
- Regular monitoring of corporate results and projections
- Appropriate expertise, skills and leadership initiatives
- Attendance in meetings and active participation in discussions of various items of agenda
- Adequate knowledge about the Company's business and the economic scenario
- Innovative ideas for growth of the Company's business
- Effectiveness in discharging functions, roles and duties as required
- Review and contribution to strategies, business and operations of the Company
- Expression of independent opinion on various matters taken up by the Board
- Timely flow of information and effective decision making
- Compliance with applicable laws and adherence to Corporate Governance
- Compliance with Policies, Code of Conduct etc.

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the Committees. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Whole-Time Directors and non-independent directors was carried out by the Independent Directors. The performance of the Committees was evaluated by the Board after receiving inputs from the Committee members. The Committee has also reviewed the performance of the KMPs and senior officials as per the policy of the company.

**5. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

In compliance with Section 178 of the Act and Regulation 20 read with part (d) Schedule II of SEBI Listing Regulations, a Stakeholders' Relationship Committee of the Board has been constituted. The Committee considers redressal of Investors' complaints/grievances. It also considers matters concerning complaints regarding transfer/ transmission of shares, issue of duplicate share certificates, non-receipt of dividends and Annual Report, dematerialization of share certificates, etc.

The meeting of the Stakeholders' Relationship Committee was held on 15<sup>th</sup> May, 2023 and 3<sup>rd</sup> June, 2023 during the financial year under review.



The composition of the committee as well as the particulars of attendance at the committee meetings during the year and other related details are given in the table below:

Sr. No.	Name of Director	Designation	No. of meetings held and attended during the period
1.	Mrs. Sheila Mody (DIN: 00496561)	Chairperson, Non-Executive Director	2 of 2
2.	Mr. Percy Avari (DIN: 00499114)	Member, Executive Director	2 of 2
3.	Mr. Nilesh Mankiwala (DIN: 06927530)	Member, Independent Director	2 of 2

**Terms of reference of the Committee inter alia, include the following:**

- Oversee and review all the matters concerned with the transfer of the company's securities
- Oversee the performance of the Company's Registrar & Transfer agent.
- Recommending methods to upgrade the standards of the services to investors as per the recent provisions of the SEBI regarding demat and transfer of shares.
- resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of correspondence from the company, non-receipt of dividends, issue of duplicate certificates, dematerialization of Shares, etc.;
- review of measures taken for effective exercise of voting rights by shareholders;
- Oversee the performance of the Company's Registrar and Share Transfer Agent;
- review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar and Share Transfer Agent;
- review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices to the shareholders of the company;
- carrying out any other function as is mentioned in the terms of reference of the Stakeholders' Relationship Committee.

Company Secretary is the Compliance Officer of the company. During the year under review, no complaints were received.

The minutes of the Stakeholders' Committee are reviewed by the Board of Directors at the subsequent Board Meeting.

## 6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility ('CSR') Committee is constituted in line with the provisions of Section 135 read with Schedule VII of the Act. The Committee consists following members in the Committee:

Sr. No.	Name of Director	Designation	No. of meetings held and attended during the period
1.	Mrs. Sheila Mody (DIN: 00496561)	Chairperson, Non-Executive Director	1 of 1
2.	Mr. Mohib Khericha (DIN: 00010365)	Member, Independent Director	1 of 1
3.	Mr. Percy Avari (DIN: 00499114)	Member, Executive Director	1 of 1

**The Committee's terms of reference meet with the requirements of the Act which are as under:**

- Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the company as specified in Schedule VII of the Act;
- Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy;
- Monitor the CSR projects undertaken by the Company from time to time; and,
- Ensure effective implementation of aforesaid CSR Policy;
- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the company as specified in Schedule VII of the Act.

The Corporate Social Responsibility Committee meeting was held on 25<sup>th</sup> May, 2023. The Committee had approved the trust / agencies to whom the funds can be given and projects that will be undertaken by the trust / agencies. The details of the CSR projects are given in the **Annexure – C** to the Directors' Report.

## 7. EXECUTIVE COMMITTEE

Pursuant to the first proviso to section 179(3) of the Act, the Board may, by a resolution passed at a meeting, delegate to any committee of Directors, the managing director, the manager or any other principal officer of the company or in the case of a branch office of the company, the principal officer of the branch office, the powers specified in clauses (d) to (f) of section 179(3) of the Act on such conditions as it may specify. With reference to the said provisions, the Board of Directors had decided to delegate

certain powers as mentioned in the resolution as well as administrative powers to the Executive Committee consisting following members:

Sr. No.	Name of Director	Designation	No. of meetings held and attended during the period
1.	Mr. Mohib Khericha (DIN: 00010365)	Chairperson, Independent Director	3 of 3
2.	Mrs. Sheila Mody (DIN: 00496561)	Member, Non-Executive Director	3 of 3
3.	Mr. Percy Avari (DIN: 00499114)	Member, Executive Director	3 of 3

**The committee is vested with the roles and responsibilities of the administrative and management related business which includes but not limited to the following:**

- i. General management of the company.
- ii. To make necessary operational decisions on behalf of the Board and take note at subsequent Board meetings.
- iii. Ensure operational implementation of policies and procedures.
- iv. To provide authority to the person for appearing before any agencies or courts as and when required.
- v. To obtain various banking related services and to provide authority for operation and opening of bank accounts.
- vi. Any other responsibility as may be assigned by the board from time to time.

The Executive Committee meetings were held on 9<sup>th</sup> June, 2023, 6<sup>th</sup> October, 2023 and 21<sup>st</sup> December, 2023.

The minutes of the Executive Committee are reviewed by the Board of Directors at the subsequent Board Meeting.

## 8. SENIOR MANAGEMENT

Following are the particulars of Senior Management one level below the Board as on 31<sup>st</sup> March 2024:

Sr. No.	Name	Designation
1.	Cyrus Bhagwagar	Chief Financial Officer
2.	Noshirvan Randeria	Purchase Manager
3.	Prashant Desai	Sales Head - Engineering
4.	Pradip Panchal	Sales Head - Engineering
5.	Dharmesh Vyas	Works Manager – Engineering
6.	Sachin Patel	Works Manager – Food
7.	Nishith Kayasth	Company Secretary & Compliance Officer

## 9. INDEPENDENT DIRECTORS MEETING

In accordance to the provisions of Act and SEBI Listing Regulations, Independent Directors of the company meet at least once in every financial year without the presence of Non-Executive Directors, Executive Director and any other management personnel. The meeting is conducted in a manner to enable the Independent Directors to discuss matters pertaining to, inter alia:

- review the performance of non-independent directors and the Board as a whole.
- review the performance of the Chairperson of the company, taking into account the views of executive directors and 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.

During the year under review, meeting of Independent Directors was held on 12<sup>th</sup> February, 2024. All the Independent Directors were present at this Meeting.

### Familiarization Programme for Independent Directors:

In compliance with the requirements of SEBI Listing Regulations, the company has put in place a familiarization programme for Independent Directors to familiarize them with the working of the company. It takes due steps for familiarizing them with the company's procedures and practices, by providing them with the necessary documents, reports and internal policies. Through the familiarization programme, they are briefed about their roles, responsibilities, duties, and obligations as a member of the Board and matters relating to Corporate Governance, Code of Business Conduct, Risk Management, Compliance Programs, Internal Audit, etc. Further, the company also schedules plant visits for them, from time to time in order to give them an overview of the way in which the company operates and also its products and business models, etc.

The details of such familiarization programme for Independent Directors are available on the website of the company i.e. [https://www.mazdalimited.com/Familiarisation-Programme-for-Directors\\_MazdaLimited.pdf](https://www.mazdalimited.com/Familiarisation-Programme-for-Directors_MazdaLimited.pdf)

## 10. GENERAL BODY MEETINGS

The details of the Annual General Meetings held during the last three years are as follows:

Meeting	33 <sup>rd</sup> AGM	32 <sup>nd</sup> AGM	31 <sup>st</sup> AGM
Year	2022-23	2021-22	2020-21
Venue	MAZDA House, 650/1, 2 <sup>nd</sup> Lane, Panchwati, Ambawadi, Ahmedabad – 380 006 (Through Video Conferencing Mode)		
Date & Time	22 <sup>nd</sup> September, 2023. at 12.00 P.M.	28 <sup>th</sup> September, 2022 at 12.00 P.M.	17 <sup>th</sup> September, 2021 at 12:00 P.M
No. of Special Resolution	01	03	01

- **Postal Ballot**

During the financial year under review, there were no approvals of the shareholders taken through the postal ballot. At the ensuing Annual General Meeting, there is no resolution proposed to be passed through Postal Ballot. Hence the procedure for Postal Ballot is not explained.

## 11. SUBSIDIARY COMPANY

The company does not have any subsidiary company.

## 12. POLICY FOR PROHIBITION OF INSIDER TRADING

In terms of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the company has formulated and adopted a Code of Conduct for Prohibition of Insider Trading, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Policy on procedures to be followed while conducting an inquiry in the event of leak or suspected leak of Unpublished Price Sensitive Information.

The code governs all Directors, Senior Management Personnel, Promoter(s)/Promoter Group and such other Designated Employees and their immediate relative(s) who can have access to Unpublished Price Sensitive Information relating to the company. The Code lays down the guidelines, which advise on procedures to be followed and disclosures to be made, while dealing with securities of the company and cautions them of the consequences of violations. The code of conduct is available on the website of the company i.e., <https://mazdalimited.com/wp-content/uploads/2019/05/Code-of-conduct-Prevntion-of-Insider-Trading.pdf>

Further as per Regulation 3(5) of SEBI (PIT) Regulations, 2015, The board of directors or head(s) of the organization of every person required to handle unpublished price sensitive information (UPSI) is required to maintain Structural Digital Database (SDD). The intent of SDD software is to record the flow of sharing of Unpublished Price Sensitive Information (UPSI). Accordingly, the company has in place a well-functioning SDD software with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

## 13. DISCLOSURES

- a) There are no transactions of a materially important character and which are not in the ordinary course of business and all the transactions are on Arm's length basis with the promoters, the Directors or the Management or relatives that may have potential conflict with the concern of the company at large; however, transactions with related parties as per requirements of applicable Accounting Standard are disclosed under notes to accounts.

The policy on Materiality of Related Party Transactions in terms of Listing Regulations is uploaded on the website of the company at <https://mazdalimited.com/wp-content/uploads/2020/05/Policy-on-Determination-of-Materiality.pdf>

- b) There are no materially significant related party transactions please refer Note No. 38 of the standalone financial statements, forming part of this Annual Report.
- c) The company is preparing these financial statements in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as time to time notified under section 133 of the Act.
- d) Pursuant to Regulation 32 (7A) of the SEBI Listing Regulations, the company has not raised funds through preferential allotment or qualified institutional placement.
- e) There is no instance, where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year 2023-2024.
- f) Total fees for all services paid by the listed entity, on a consolidated basis, to the statutory auditor are given in Note No. 29.1 to the Standalone Financial Statements.
- g) There have been no instances of any non-compliance and no penalties or strictures have been imposed on the company on any matter relating to the capital markets during the last three years, either by Stock Exchanges, the Securities and Exchange Board of India or any statutory authority.

- h) The process of identification and evaluation of various risks inherent in the business environment and the operations of the company and initiation of appropriate measures for prevention and/or mitigation of the same are dealt with by the concerned operational heads under the overall supervision of the Whole-Time Directors of the company. The Audit Committee periodically reviews the adequacy and efficacy of the overall risk management system.
- i) The company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The company has a Vigil Mechanism and Whistle-blower policy to provide for the safeguards against victimization of employees who follow such mechanism under which they are free to report violations of applicable laws and regulations and the code of conduct. The reportable matters may be disclosed to the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no complaints have been received and no employee was denied access to the Audit Committee.
- j) The Board receives on a quarterly basis, certificates of compliance with the provisions of all applicable laws from the Whole-Time Director and Compliance Officer, which are taken on record by the Board.
- k) A Practising Company Secretary carries out Reconciliation of share capital to reconcile to total admitted capital with NSDL and CDSL and total issued and listed capital. This audit is carried out every quarter and the report are submitted to the stock exchanges. The audit confirms that the total issued/paid up capital of the company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- l) The Whole-Time Director and Chief Financial Officer has given a Certificate to the Board as contemplated in SEBI Listing Regulations and the same forms the part of Corporate Governance Report.
- m) The Company has obtained the Certificate from the Practising Company Secretary certifying that none of the directors of the company are debarred or disqualified from being appointed or continuing as directors of Company by SEBI / MCA or any such authority.
- n) The company has in place a policy for Prevention, Prohibition and Redressal of Sexual Harassment at work place. Appropriate reporting mechanisms are in place for ensuring protection against Sexual Harassment and the right to work with dignity. During the year under review, the company has not received any complaints in this regard.
- o) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- 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 end of the financial year: Nil
- p) The company has complied with all mandatory requirements laid down by SEBI Listing Regulations including those specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46. Hence there has been no non-compliances with mandatory requirement of Corporate Governance code. The Compliance Certificate given by Practising Company Secretary for the financial year under review forms part of the Corporate Governance Report.
- q) Your company has partly adopted non-mandatory requirements laid down by SEBI Listing Regulations. The company is having unmodified audit opinion by Statutory Auditor for standalone financial statements and the Internal Auditor reports directly to the audit committee. The company is complying with applicable Secretarial Standards.
- r) The Management Discussion and Analysis Report forms part of the Annual Report and is in accordance with the requirements laid out in Schedule V of the SEBI Listing Regulations.
- s) The company has not given any Loans or Advances to any other company/ firm wherein any director is interested during the year under review.

#### 14. MEANS OF COMMUNICATION

Half-Yearly report sent to each household of shareholders:	No
The company issued un-audited standalone financial results with limited review report of auditors for first three quarters. In respect of the fourth quarter, the company publishes the audited financial results for the whole financial year with audit report.	
Quarterly Results –Newspapers in which normally published:	Financial Express in: <ul style="list-style-type: none"> <li>• English Edition</li> <li>• Gujarati Edition</li> </ul>
Website, where displayed:	At Company's Website i.e., on <a href="https://www.mazdalimited.com/">https://www.mazdalimited.com/</a> in the 'Investor Relation Section'
Presentation made to Institutional Investors or to Analysts:	No
Whether Management Discussion and Analysis Report is a part of Annual Report or not:	Yes

## 15. GENERAL SHAREHOLDERS INFORMATION

a.	<b>Annual General Meeting</b> (Date, Time and Venue):	Monday, 09 <sup>th</sup> September, 2024, at 12:00 PM, Through Video Conferencing / Other Audio-Visual Means as set out in the Notice convening the Annual General Meeting.
b.	<b>Financial Calendar</b> Tentative financial reporting for:	
	the quarter ended on 30 <sup>th</sup> June, 2024	Second week of August, 2024
	the quarter ended on 30 <sup>th</sup> September, 2024	Second week of November, 2024
	the quarter ended on 31 <sup>st</sup> December, 2024	Second week of February, 2025
	the quarter ended on 31 <sup>st</sup> March, 2025 Results for the year ending March, 2025 (Audited)	Last week of May, 2025
c.	<b>Financial Year:</b>	April, 2024 to March, 2025
d.	<b>Dates of Book Closure:</b>	23 <sup>rd</sup> August, 2024 to 30 <sup>th</sup> August, 2024
e.	<b>Dividend Payment Date (Tentative):</b>	20 <sup>th</sup> September, 2024
f.	<b>Listing on Stock Exchanges, Address and Stock Code:</b>	<b>BSE Limited (BSE)</b> Code: 523792 Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 <b>National Stock Exchange of India Limited (NSE)</b> Symbol: MAZDA Address: Exchange Plaza, C-1, Block – G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
g.	<b>Payment of Listing Fees:</b>	Listing fees for the period 2024-25 has been paid to the stock exchanges
h.	<b>ISIN Number for NSDL &amp; CDSL:</b>	INE885E01034
i.	<b>CIN:</b>	L29120GJ1990PLC014293
j.	<b>Registrar and Share Transfer Agent:</b>	<b>Link Intime India Private Limited</b> 506-508 Amarnath Business Centre – I, off. C.G. Road, Navrangpura, Ahmedabad – 380 009 Phone: 079-26465179 Email Id: ahmedabad@linkintime.co.in
k.	<b>Name and Email address of the Compliance Officer</b>	Mr. Nishith Kayasth, Company Secretary and Compliance Officer Email: nishith@mazdalimited.com Phone: 079-4000 7000
l.	<b>Dematerialization of shares and liquidity:</b>	92.22% of the paid-up capital has been dematerialized as on 31 <sup>st</sup> March, 2024
m.	<b>Plant Location:</b>	<ul style="list-style-type: none"> <li>• <b>Engineering Division</b> <ul style="list-style-type: none"> <li>– <b>Unit - I:</b> C/1-39/13/16 GIDC, Naroda, Ahmedabad- 382 330</li> <li>– <b>Unit – II:</b> Plot No. 11 &amp; 12, Hitendranagar Sahakari Vasahat Ltd., N.H. Road, Naroda, Ahmedabad - 382 340</li> <li>– <b>Unit – III:</b> C/1, A-5, GIDC, Odhav, Ahmedabad – 382 415</li> <li>– <b>Unit – IV:</b> Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad- 382 330</li> <li>– <b>Unit – V:</b> Plot No. 7610, Phase-IV, GIDC, Vatva, Ahmedabad – 382 445</li> </ul> </li> <li>• <b>Food Division</b> <ul style="list-style-type: none"> <li>– Block – F, Plot Nos. 169-173, Gallops Industrial Park, Bavla Road, Vasna-Chacharvadi, Changodar, Ahmedabad – 382 213</li> </ul> </li> </ul>
n.	<b>Registered Office:</b>	C/1-39/13/16 GIDC, Naroda, Ahmedabad- 382 330
o.	<b>Address for correspondence:</b>	<b>Mazda Limited: Corporate Office</b> Mazda House, 650/1, Panchwati, 2 <sup>nd</sup> Lane, Ambawadi, Ahmedabad – 380 006
p.	<b>Credit Rating:</b>	Long Term Credit Rating: ICRA 'A' Short Term Credit Rating: ICRA 'A1'

- Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant for any queries related to change of address or change in bank mandate.

### Share Transfer System:

SEBI vide its circular dated 25<sup>th</sup> January 2022, has mandated that listed companies shall issue the securities in dematerialized form only, in order to enhance ease of dealing in securities markets by investors, for transactions including Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates / folios, transmission and transposition of shares. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form

ISR – 4, the format of which is available on the RTA’s website under the link at <https://www.linkintime.co.in/home-KYC.html>. The Company obtains from a Company Secretary in Practice an annual certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI Listing Regulations and files a copy of the certificate with the Stock Exchanges. The Company has signed necessary agreements with two depositories currently functional in India viz. National Securities Depository Limited &

Central Depository Services (India) Limited. The transfer of shares in electronic mode need not be approved by the Company.

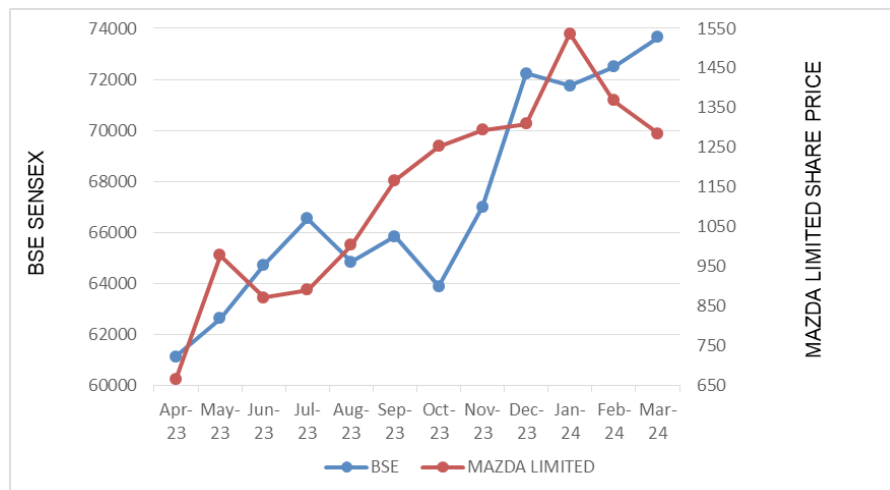
The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to the SEBI Circular dated 3rd November, 2021. Attention of the Members holding shares of the Company in physical form is invited to go through the said important communication under the web link at <https://www.linkintime.co.in/home-KYC.html>

- **Monthly Highs and Lows of Market Price of the Company’s Shares Traded on BSE & NSE for the period April 2023 to March 2024:**

Month	Bombay Stock Exchange Limited (BSE)		National Stock Exchange of India Limited (NSE)	
	High	Low	High	Low
April, 2023	677.95	609.75	675.00	610.00
May, 2023	1038.60	635.00	1040.00	646.95
June, 2023	1029.00	841.00	1026.90	832.30
July, 2023	950.00	852.00	956.00	845.00
August, 2023	1020.00	870.10	1018.00	880.00
September, 2023	1200.00	905.00	1187.00	970.00
October, 2023	1400.00	1062.00	1401.85	1059.55
November, 2023	1450.00	1256.05	1450.00	1254.10
December, 2023	1415.45	1200.00	1413.00	1197.50
January, 2024	1643.95	1280.60	1660.95	1282.70
February, 2024	1650.20	1336.95	1650.00	1334.65
March, 2024	1460.15	1087.30	1470.20	1103.55

Source: BSE & NSE Website

- **Stock Price Performance in comparison to BSE Sensex**



- Shareholding pattern as on March 31, 2024:

Categories	No. of Shares held	% Of Total Shareholding
<b>Promoter's Holding</b>		
Promoters and its group – Indian	19,36,216	48.34
Foreign Promoters	-	-
<b>Sub – Total</b>	<b>19,36,216</b>	<b>48.34</b>
<b>Non – promoter's Holding</b>		
Banks & NBFC	2,041	0.05
Central Government / State Government/ IEPF Authority	34,027	0.85
Domestic Companies	1,50,224	3.75
Indian Public	14,10,305	35.21
NRI's	85,514	2.14
Foreign Company	2,89,500	7.23
Others	97,173	2.43
<b>Sub – Total</b>	<b>20,68,784</b>	<b>51.66</b>
<b>GRAND TOTAL</b>	<b>40,05,000</b>	<b>100.00</b>

- Distribution of shareholding as on March 31, 2024:

Shareholding			Shareholders		No. of shares	
			Folios	% Of total Nos.	Shares	% Of total shares
Less than		500	9818	95.49	5,29,482	13.22
501	To	1000	235	2.29	1,77,308	4.43
1001	To	2000	106	1.03	1,56,722	3.91
2001	To	3000	42	0.41	1,05,684	2.64
3001	To	4000	16	0.16	59,427	1.48
4001	To	5000	19	0.18	88,271	2.20
5001	To	10000	28	0.27	2,17,522	5.43
10001	And	above	18	0.18	26,70,584	66.68
<b>Total</b>			<b>10,282</b>	<b>100.00</b>	<b>40,05,000</b>	<b>100.00</b>

- Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on the company: NIL

- Commodity price risk or foreign exchange risk and hedging activities:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company transacts business in foreign currencies. Consequently, the company has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The company manages its foreign currency risk by following policies approved by board as per established risk management policy.

The details of foreign currency exposure are disclosed in note no. 31 forming part of the financial statements.

During the financial year 2023-24, the company had managed the foreign exchange risk and hedge to the extent consider necessary. The company enters into forward contracts for hedging foreign exchange exposures against exports.

- Transfer of Dividend to Investor Education and Protection Fund (IEPF):

Pursuant to the provisions of Section 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), the dividend which remains unclaimed/unpaid for a period of seven consecutive years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. In line with the provisions of Section 125 of the Act, no claim shall lie against the company after the said transfer. The members whose dividend is transferred to the IEPF Authority can claim dividend from the IEPF Authority.

Pursuant to the above-mentioned provisions, the unpaid/ unclaimed dividend of Rs. 3,71,204 for the financial year 2015-2016 lying in the company's unpaid dividend account, were transferred to Investors Education & Protection Fund (IEPF) during the financial year under review.



Due dates for transfer of unclaimed dividend declared in the previous financial years to IEPF are as under:

Financial Year	Dates of Declaration of Dividend	Dividend Percentage	Dates on which dividend will become part of IEPF
2016-2017	12 <sup>th</sup> September, 2017	73	11 <sup>th</sup> October, 2024
2017-2018	04 <sup>th</sup> September, 2018	81	03 <sup>rd</sup> October, 2025
2018-2019	26 <sup>th</sup> September, 2019	90	25 <sup>th</sup> October, 2026
2019-2020 (Interim)	13 <sup>th</sup> February, 2020	75	12 <sup>th</sup> March, 2027
2019-2020 (Final)	25 <sup>th</sup> September, 2020	25	24 <sup>th</sup> October, 2027
2020-2021	17 <sup>th</sup> September, 2021	110	16 <sup>th</sup> September, 2028
2021-2022	23 <sup>rd</sup> September, 2022	121	23 <sup>rd</sup> September, 2029
2022-2023	22 <sup>nd</sup> September, 2023	140	22 <sup>nd</sup> September, 2030

Members who have not yet claimed their dividend are requested to make their claims without any delays to the company. Those members who have not so far claimed their dividend for the subsequent financial years are also advised to claim it from the company or Link Intime (India) Private Limited.

The company has appointed Mr. Nishith Kayasth, Company Secretary as a Nodal Officer under the provisions of IEPF, contact details of whom are available on the website of the company i.e., <https://www.mazdalimited.com/investor-relation.html>.

The list of shareholders whose dividend are unpaid and due to be transferred to the IEPF is available on the website of the company i.e. <https://mazdalimited.com/documents/List%20of%20shareholders%20whose%20shares%20will%20be%20transferred%20to%20IEPF%20in%20the%20FY%202023-24.pdf>

• **Transfer of Equity Shares to Investor Education and Protection Fund (IEPF):**

In compliance with the provisions of Section 124(6) of the Act, all the shares in respect of which unpaid or unclaimed dividend has been transferred under sub-section (5) and which remains unpaid for continuous seven years shall also be transferred by the company in the name of Investor Education & Protection Fund along with a statement containing such details as may be prescribed.

During the year under review, the company had transferred 875 Equity Shares to IEPF Authority corresponding to unclaimed dividend for the year 2015-16. The IEPF Authority holds 34,027 Equity Shares in the company as on 31<sup>st</sup> March, 2024. The list of the shareholders whose shares were transferred to IEPF is available on the website i.e., <https://mazdalimited.com/documents/List%20of%20Shareholders%20trasnferred%20to%20IEPF%20Account.pdf>.

Shareholders are requested to note that shares transferred to IEPF, including all benefits accruing on such shares, if any can be claimed back from the IEPF Authority after following the procedure prescribed under the said rules. The procedure is also available on the website of the Ministry of Corporate Affairs at [www.iepf.gov.in](http://www.iepf.gov.in).

The company had sent letters to all the concerned Members and also published notice in newspaper three months before the due date asking them to claim their dividend amount and to avoid transfer of the said unclaimed dividend and respective shares to IEPF Authority.

**Disclosure of certain type of agreements binding listed entities:**

Pursuant to provisions of Schedule III, Para A, Clause 5A of SEBI Listing Regulations, there are no agreement impacting management or control of the Company or imposing any restriction or create any liability upon the Company.

Place: Ahmedabad  
Date: 07/08/2024

For and on behalf of the Board,  
**Percy Avari**  
Whole-Time Director  
(DIN: 00499114)





## AFFIRMATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT

To,

### The Members of the company

The Board of Directors of the company has adopted a Code of Conduct for all the Board members and senior executives of the company, including the Executive Directors; they have affirmed compliance with the Code of Conduct applicable to them in respect of the year ended 31<sup>st</sup> March, 2024.

Place : Ahmedabad

Date : 07/08/2024

For and on behalf of the Board,

**Percy Avari**

**Whole-Time Director**

(DIN: 00499114)

## CERTIFICATION BY WHOLE-TIME DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY

To,

### The Board of Directors,

### Mazda Limited

We to the best of our knowledge and belief certify that:

1. We have reviewed the Audited Financial Statements and the Cash Flow Statement for the year ended 31<sup>st</sup> March, 2024 and that to the best of our knowledge and belief:
  - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. We also certify, that based on our knowledge and the information provided to us, there are no transactions entered into by the company during the year which are fraudulent, illegal or against the company's code of conduct.
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of 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 such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
4. We further certify that:
  - a. There have been no significant changes in internal control over financial reporting during the year;
  - b. There have been no significant changes in accounting policies during the year and the same has been disclosed in notes to the financial statements; and
  - c. There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Ahmedabad

Date: 07/08/2024

Sd/-

**Percy Avari**  
**Whole-Time Director**  
(DIN: 00499114)

Sd/-

**Cyrus J. Bhagwagar**  
**CFO**



## **PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE**

**To the Members of**

**Mazda Limited**

1. We have examined the compliance of the conditions of Corporate Governance by **MAZDA LIMITED** ('the Company') for the year ended on **March 31<sup>st</sup>, 2024** as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulations 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations").
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance as stipulated in Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations for the year ended on 31<sup>st</sup> March, 2024.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Place: Ahmedabad**  
**Date: 07<sup>th</sup> August, 2024**

**For Rutul Shukla & Associates,**  
**Company Secretaries**  
**Rutul J. Shukla**  
**FCS: 6776 (CP: 7470)**  
**UDIN: F006776F000890472**



## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members of  
**Mazda Limited**  
C/1 39/13/16 GIDC  
Naroda, Ahmedabad- 382330,  
Gujarat, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Mazda Limited** having CIN:L29120GJ1990PLC014293 and having registered office at C/1 39/13/16 GIDC Naroda, Ahmedabad- 382330, Gujarat, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of my information and according to the verifications [including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)] as considered necessary and explanations furnished to us by the Company & its officers and on the basis of written representation / declaration received from the directors and taken on record by the Board of Directors, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31<sup>st</sup> March, 2024** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of appointment in Company
1.	Ms. Sheila Sorab Mody	00496561	20/09/1991
2.	Ms. Shanaya Mody Khatua	01241585	22/01/2007
3.	Mr. Percy Xerex Avari	00499114	29/01/2003
4.	Ms. Houtoxi Contractor	00499260	02/10/1992
5.	Mr. Samuel Wilbur Croll III	01407244	12/09/1992
6.	Mr. Mohib Nomanbhai Khericha	00010365	12/09/1992
7.	Mr. Saurin Vikrambhai Palkhiwala	03604769	29/07/2014
8.	Mr. Nilesh Chandravadan Mankiwala	06927530	29/07/2014

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

Place: Ahmedabad  
Date: 07<sup>th</sup> August, 2024

For Rutul Shukla & Associates,  
Company Secretaries  
Sd/-  
Rutul J. Shukla  
FCS: 6776 (CP: 7470)  
UDIN: F006776F000890417



## INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF  
MAZDA LIMITED**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statements of **Mazda Limited** (“the Company”) which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of 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 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of Standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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.

We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
<p><b>Revenue recognition</b> (Refer notes 1.10 and 22 to the Standalone Financial Statements) Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.</p>	<p>Our audit procedures with regard to Revenue recognition included testing controls, automated and manual, around dispatches/deliveries, inventory reconciliations and circularization of receivable balances, substantive testing for cut-offs and analytical review procedures.</p>

**Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable under the applicable laws and regulations.

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind As and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application 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 statement 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

#### **Auditor's Responsibility 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 financial controls 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement Cash Flow 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 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

- f. With respect to the adequacy of the internal financial controls with reference to Standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls with reference to standalone financial statements.
- g. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements -Refer Note 34 to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education & Protection Fund by the Company.
  - iv.
    - (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 42 (viii) 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 any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 42 (ix) to the standalone financial statements, no funds have been received by the Company From any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - (c) Based on the audit procedures performed that has 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 sub-clause (a) and (b) above contain any material misstatement.
  - v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.  
The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
  - vi. Based on our examination which included test checks and in accordance with requirements of the Implementation Guide on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, the company has used an 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 software, except in respect of maintenance of records of a purchase order which was maintained in an accounting software system which did not had a feature of recording audit trail (edit log) facility and the same was not operated throughout the year for all relevant transactions recorded in the software and accounting software used for maintaining the books of account relating to payroll process, which is operated by a third-party software service provider, we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software.  
Further for the periods where audit trail (edit log), facility was enabled and operated throughout the year, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

**For Mayank Shah & Associates**  
**Chartered Accountants**  
**Firm Registration No: 106109W**

**Place: Ahmedabad**  
**Date: May 23, 2024**

**M.S.SHAH**  
**Partner**  
**Membership No. 044093**  
**UDIN: 24044093BKCYC16625**

## Annexure A To The Independent Auditor's Report

(Referred to the paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i.
  - a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment and relevant details of right-of-use assets;
  - (B) The Company has maintained proper records showing full particulars of Intangible Assets.
  - b) The Property, Plant and Equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the Property, Plant and Equipment at reasonable intervals having regard to the size of the company, nature and value of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
  - c) Based on 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 lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
  - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) or intangible assets during the year.
  - e) No Proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under. Hence reporting under Clause (i)(e) of paragraph 3 of the Order is not applicable.
- ii.
  - a) The physical verification of inventory has been conducted at reasonable intervals by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate; There has been no discrepancies of 10% or more in the aggregate for each class of inventory were noticed during the year.
  - b) On the basis of our examination of the records of the company, the Company has been sanctioned/renewed working capital limits in excess of five crore rupees, in aggregate from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks 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 provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies and mutual fund schemes, granted unsecured loans to its employees during the year, in respect of which the requisite information is as below. The Company has not made any investments in or granted any loans, secured or unsecured, to firms and limited liability partnership.
  - (a) (A) The Company does not have any subsidiaries, joint ventures or associates.
  - (B) Based on the audit procedures carried on by us, and as per the information and explanation given to us, the Company has granted loans to its employees as below:

Particulars	Loans (Amt in Rs. lacs)
Aggregate amount granted/ provided during the year-Others	9.61
Balance outstanding as at balance sheet in respect of the above cases-Others	10.98

The Company has not provided any guarantee or security to companies, firms, limited liability partnerships or other parties.

- (b) Based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the grant of unsecured loans are prima facie, not prejudicial to the interest of the Company.
- (c) On the basis of our examination of the records of the Company, in the case of unsecured loans given to its employees, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) On the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given to its employees. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) On the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to same parties. Further, the Company has not given any advances in the nature of loans to any party.

- (f) On the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. No loans were granted during the year to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013;
- iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Companies Act, 2013. The Company has complied with the provisions of Sections 186 of the Companies Act, 2013, in respect of investments made or loans or guarantees or security provided by it, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence reporting under Clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained.
- vii. a) The Company does not have liability in respect of Services 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 the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing the undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, cess and any other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, cess and any other material statutory dues were in arrears as at 31st 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, details of dues towards Income Tax and Service Tax which have not been deposited by the Company on account of dispute are as follows:

Name of the Statute	Nature of the Dues	Rs. (in lacs)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	18.78	A.Y. 2020-21	Assessing Officer
Service tax	Service Tax penalty	14.17	F.Y. 2012-13 to 2013-14	Customs, Excise & Service Tax Appellate Tribunal

According to the information and explanations given to us, there are no dues of Goods and Services Tax, provident fund, employees' state insurance, sales-tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a) The Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) The Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) The Company does not have any subsidiaries, joint venture or associate Accordingly, Reporting under clause (ix)(e) of paragraph 3 of the order is not applicable.
- f) The Company does not have any subsidiaries, joint venture or associate Companies. Accordingly, Reporting under clause (ix)(f) of paragraph 3 of the order is not applicable.
- x. a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) paragraph 3 of the order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of the shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) paragraph 3 of the Order is not applicable.
- xi. a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.



- c) According to the information and explanations given to us, The Company have not received any whistle blower complaints during the year.
- xii. The Company is not a nidhi Company. Accordingly, reporting under Clauses (xii) of paragraph 3 of the Order is not applicable.
- xiii. In our opinion the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Accounting Standards.
- xiv. a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
b) The reports of the internal auditors for the period under audit have been considered by us.
- xv. In our opinion during the year the Company has not entered into any non-cash transaction with the Directors or Persons connected with its Directors and covered under Section 192 of the Act. Accordingly, the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under Clause (xvi)(a) and (b) of paragraph 3 of the Order is not applicable to the Company.  
b) 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.  
c) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under Clause (xvi)(d) of paragraph 3 of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on date of the audit report indicating that Company is not capable of meeting its liabilities exists at the date of balance sheet as and when they fall due within a period of one year from the date of 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 date of balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.
- xxi. The Company does not have any subsidiaries or associates or joint ventures. Accordingly, reporting under Clauses (xxi) of paragraph 3 of the Order are not applicable to the Company.

**For Mayank Shah & Associates  
Chartered Accountants  
Firm Registration No: 106109W**

**Place: Ahmedabad  
Date: May 23, 2024**

**M.S.SHAH  
Partner  
Membership No. 044093  
UDIN: 24044093BKCYCI6625**

## **Annexure B To The Independent Auditor's Report**

(Referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

### **Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

We have audited the internal financial controls with reference to Standalone Financial Statements of Mazda Limited (the "Company") as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's Management and the Board of Directors of the Company is responsible for establishing and maintaining internal financial controls with reference to Standalone Financial Statements based on the internal control with reference to Standalone 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's Internal Financial Controls with reference to Standalone Financial Statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls with reference to Standalone 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 Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system with reference to Standalone Financial Statements and their operating effectiveness. Our audit of Internal Financial Controls with reference to Standalone Financial Statements included obtaining an understanding of Internal Financial Controls with reference to Standalone 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 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 Standalone Financial Statements.

#### **Meaning of Internal Financial Controls with reference to Standalone Financial Statements**

A Company's Internal Financial Controls with reference to Standalone 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 Standalone Financial Statements includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements**

Because of the inherent limitations of Internal Financial Controls with reference to Standalone 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 Standalone Financial Statements, to future periods are subject to the risk that Internal Financial Controls with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at 31<sup>st</sup> March, 2024, based on the criteria for internal financial controls with reference to Standalone Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Mayank Shah & Associates  
Chartered Accountants  
Firm Registration No: 106109W**

**Place: Ahmedabad  
Date: May 23, 2024**

**M.S.SHAH  
Partner  
Membership No. 044093  
UDIN: 24044093BKCYCI6625**



## BALANCE SHEET AS AT 31ST MARCH, 2024

Particulars	Notes	(Amt in Rs. Lacs)	
		As At 31st March, 2024	As At 31st March, 2023
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	7,148.15	7,201.92
Capital Work-in-Progress	2	-	46.18
Investment Property	3	288.94	294.20
Other Intangible Assets	4	22.90	25.20
Right of Use Assets	5	-	60.56
Financial Assets			
Investments	6	226.98	148.71
Loans	7	2.81	3.71
Other Financial Assets	8	141.91	149.53
Other Non-current Assets	9	4.92	3.68
Income Tax Assets (net)	10	78.23	-
		<b>7,914.85</b>	<b>7,933.70</b>
<b>Current Assets</b>			
Inventories	11	3,591.83	5,289.61
Financial Assets			
Investments	6	7,538.28	4,177.23
Trade Receivables	12	3,318.05	3,670.45
Cash and Cash Equivalents	13A	1,410.05	783.77
Other Balances with Banks	13B	21.03	22.54
Loans	7	8.17	6.74
Other Financial Assets	8	2.53	1.54
Other Current Assets	9	244.89	542.82
		<b>16,134.83</b>	<b>14,494.71</b>
		<b>24,049.67</b>	<b>22,428.41</b>
<b>TOTAL ASSETS</b>			
<b>EQUITY</b>			
Equity Share Capital	14A	400.50	400.50
Other Equity	14B	20,823.54	18,189.74
		<b>21,224.04</b>	<b>18,590.24</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	15	-	-
Lease Liabilities	38	-	19.98
Other Financial Liabilities	16	2.68	1.79
Provisions	17	19.22	17.43
Deferred Tax Liabilities (Net)	18	437.26	320.78
Other Non-Current Liabilities	19	0.60	0.62
Income tax liabilities (Net)	20	-	67.23
		<b>459.75</b>	<b>427.84</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	15	-	-
Lease Liabilities	38	-	43.04
Trade Payables	21		
total outstanding dues of micro enterprises and small enterprises; and		142.26	248.37
total outstanding dues of creditors other than micro enterprises and small enterprises.		1,274.56	1,599.90
Other Financial Liabilities	16	376.17	344.83
Other Current Liabilities	19	535.60	1,169.48
Provisions	17	37.28	4.70
		<b>2,365.88</b>	<b>3,410.33</b>
		<b>24,049.67</b>	<b>22,428.41</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			
Material Accounting Policies and key accounting estimates and judgements	1		
See accompanying notes to the financial statements			

As per our report of even date attached

For MAYANK SHAH & ASSOCIATES  
Chartered Accountants  
(Firm Registration No. 106109W)

M.S.SHAH  
PARTNER  
Membership No. 044093

Place: Ahmedabad  
Date : 23 May, 2024

For and on behalf of the Board of Directors of Mazda Limited

Sd/-  
Percy Avari  
Whole-Time Director  
(DIN: 00499114)

Sd/-  
Cyrus Bhagwagar  
Chief Financial Officer

Sd/-  
Mohib Khericha  
Chairman  
(DIN: 00010365)

Sd/-  
Nishith Kayasth  
Company Secretary



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024**

(Amt in Rs. Lacs)

Particulars	Notes	Year 2023-24	Year 2022-23
<b>REVENUE FROM OPERATIONS</b>	22		
Revenue from Sale of Products		22,223.12	18,625.78
Revenue from Sale of Services		153.37	333.22
Other Operating Revenues		166.46	192.88
Total Revenue from Operations		22,542.95	19,151.88
Other Income	23	658.12	233.92
<b>TOTAL INCOME (I)</b>		<b>23,201.07</b>	<b>19,385.80</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	24	9,949.32	10,765.13
Changes in Inventories of Finished Goods and Work-in-Progress	25	1,678.89	(1,462.69)
Employee Benefit Expenses	26	2,666.25	2,367.14
Finance Costs	27	54.38	62.94
Depreciation and Amortisation Expenses	28	401.57	315.30
Other Expenses	29	4,271.66	3,765.76
<b>TOTAL EXPENSES (II)</b>		<b>19,022.07</b>	<b>15,813.57</b>
<b>PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (I-II)</b>		<b>4,179.00</b>	<b>3,572.23</b>
Exceptional Items			
<b>PROFIT BEFORE TAX</b>		<b>4,179.00</b>	<b>3,572.23</b>
Tax Expenses	30		
Current Tax		882.00	790.00
Deferred Tax		120.25	113.35
Tax in respect of earlier years		24.71	6.24
<b>TOTAL TAX EXPENSES</b>		<b>1,026.97</b>	<b>909.59</b>
<b>PROFIT AFTER TAX</b>		<b>3,152.03</b>	<b>2,662.64</b>
<b>OTHER COMPREHENSIVE INCOME (OCI)</b>			
Items that will not be reclassified to Profit or Loss			
(a) (i) Remeasurement benefit of defined benefit plans		(59.75)	(27.54)
(ii) Income tax benefit/(expense) on remeasurement of defined benefit plans		15.04	6.93
(b) (i) Net fair value gain/(loss) on investments in equity instruments through OCI		98.44	32.34
(ii) Income tax benefit/(expense) on investments in equity instruments through OCI		(11.26)	(2.32)
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>42.47</b>	<b>9.41</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>3,194.50</b>	<b>2,672.04</b>
Earnings per equity share (Face value of Rs. 10 each)	37		
1) Basic (in Rs.)		78.70	66.48
2) Diluted (in Rs.)		78.70	66.48
Material Accounting Policies and key accounting estimates and judgements	1		
See accompanying notes to the financial statements			

As per our report of even date attached

For MAYANK SHAH & ASSOCIATES  
Chartered Accountants  
(Firm Registration No. 106109W)

M.S.SHAH  
PARTNER  
Membership No. 044093

Place: Ahmedabad  
Date : 23 May, 2024

For and on behalf of the Board of Directors of Mazda Limited

Sd/-  
Percy Avari  
Whole-Time Director  
(DIN: 00499114)

Sd/-  
Cyrus Bhagwagar  
Chief Financial Officer

Sd/-  
Mohib Khericha  
Chairman  
(DIN: 00010365)

Sd/-  
Nishith Kayasth  
Company Secretary



**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024**

**A : EQUITY SHARE CAPITAL** (Amt in Rs. Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Balance at the beginning of the reporting period</b>	400.50	400.50
Changes in Equity Share capital to prior period errors	-	-
<b>Restated balance at the beginning of the current reporting period</b>	400.50	400.50
Changes in Equity Share capital during the year	-	-
<b>Balance at the end of the reporting period</b>	<b>400.50</b>	<b>400.50</b>

**B : OTHER EQUITY** (Amt in Rs. Lacs)

OTHER EQUITY	Reserves & Surplus				Equity Instrument through OCI	Total
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings		
<b>Balance as at April 1, 2022 (A)</b>	4.25	66.98	327.90	15,554.84	48.33	16,002.30
<b>Addition during the year:</b>						
Profit for the period	-	-	-	2,662.64	-	2,662.64
Items of OCI for the year, net of tax:						
Remeasurement benefit of defined benefit plans	-	-	-	(20.61)	-	(20.61)
Net fair value loss on investment in equity instruments through OCI	-	-	-	-	30.02	30.02
<b>Total Comprehensive Income for the year 2022-23 (B)</b>	-	-	-	2,642.03	30.02	2,672.04
<b>Reductions during the year:</b>						
Dividends (Refer Note 33)	-	-	-	(484.61)	-	(484.61)
<b>Total (C)</b>	-	-	-	(484.61)	-	(484.61)
<b>Balance as at 31st March, 2023 (D) = (A+B+C)</b>	4.25	66.98	327.90	17,712.26	78.35	18,189.74
<b>Addition during the year:</b>						
Profit for the period	-	-	-	3,152.03	-	3,152.03
Items of OCI for the year, net of tax-						
Remeasurement benefit of defined benefit plans	-	-	-	(44.71)	-	(44.71)
Net fair value gain on investment in equity instruments through OCI	-	-	-	-	87.18	87.18
<b>Total Comprehensive Income for the year 2023-24 (E)</b>	-	-	-	3,107.32	87.18	3,194.50
<b>Reductions during the year:</b>						
Dividends (Refer Note 33)	-	-	-	(560.70)	-	(560.70)
<b>Total (F)</b>	-	-	-	(560.70)	-	(560.70)
<b>Balance as at 31st March, 2024 (G) = (D+E+F)</b>	4.25	66.98	327.90	20,258.88	165.53	20,823.54

Material Accounting Policies and key accounting estimates and judgements (Refer Note 1)

See accompanying notes to the financial statements

**As per our report of even date attached**

**For MAYANK SHAH & ASSOCIATES**  
Chartered Accountants  
(Firm Registration No. 106109W)

**M.S.SHAH**  
PARTNER  
Membership No. 044093

Place: Ahmedabad  
Date : 23 May, 2024

**For and on behalf of the Board of Directors of Mazda Limited**

Sd/-  
**Percy Avari**  
Whole-Time Director  
(DIN: 00499114)

Sd/-  
**Cyrus Bhagwagar**  
Chief Financial Officer

Sd/-  
**Mohib Khericha**  
Chairman  
(DIN: 00010365)

Sd/-  
**Nishith Kayasth**  
Company Secretary

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2024**

(Amt in Rs. Lacs)

Particulars	Year 2023-24	Year 2022-23
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before tax	4,179.00	3,572.23
Adjustment for :		
Finance Costs	54.38	62.94
Depreciation and Amortisation	401.57	315.30
Interest/Dividend received	(2.06)	(1.54)
Rent Income	(11.32)	(11.21)
Net (Gain) on sale of investment measured at FVTPL	(111.34)	(31.24)
Net (Gain) on fair valuation of investment at FVTPL	(468.70)	(129.92)
Net unrealised exchange (gain) / loss	(19.94)	(14.48)
Bad Debts written off / written back	253.73	40.84
(Profit)/Loss on Sale of property, plant and equipment (Net) (including assets scrapped off)	6.93	39.63
Gain on termination of Lease assets	(2.34)	-
<b>Operating Profit before Working Capital Changes</b>	<b>4,279.91</b>	<b>3,842.54</b>
Adjustment for :		
(Increase) / Decrease in Trade Receivables	118.21	460.78
(Increase) / Decrease in Other Financial Assets	7.10	(24.54)
(Increase) / Decrease in Inventories	1,697.78	(1,824.94)
(Increase) / Decrease in Other assets	298.70	(230.53)
Increase / (Decrease) in Trade payables	(431.44)	286.14
Increase / (Decrease) in Other financial liabilities	43.61	40.19
Increase / (Decrease) in Provisions	(25.38)	(42.25)
Increase / (Decrease) in Other liabilities	(633.90)	583.62
<b>Cash generated from Operating activities</b>	<b>5,354.59</b>	<b>3,091.02</b>
Direct Taxes (Paid)/Net of Refund	(1,052.17)	(732.44)
<b>Net Cash from Operating Activities (A)</b>	<b>4,302.42</b>	<b>2,358.58</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchases of Property, Plant and equipment including Capital Work-in-Progress and capital advances	(287.06)	(460.14)
Proceeds from sale of property, plant and equipment (Net)	6.03	0.07
Interest/Dividend received	1.36	0.92
Rent Income	10.64	11.02
Purchases of Current Investments	(2,997.70)	(1,763.00)
Sale of Non Current Investments	58.24	45.73
Sale of Current Investments	178.61	704.07
<b>Net Cash (used) in Investing Activities (B)</b>	<b>(3,029.89)</b>	<b>(1,461.33)</b>



(Amt in Rs. Lacs)

Particulars	Year 2023-24	Year 2022-23
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Principal Payment of lease liabilities	(31.28)	(14.11)
Interest paid on lease liabilities	(1.72)	(3.39)
Other Finance cost paid	(52.66)	(59.55)
Dividend Paid	(560.70)	(484.61)
<b>Net Cash (used) in Financing Activities (C)</b>	<b>(646.36)</b>	<b>(561.66)</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>626.17</b>	<b>335.60</b>
Cash & Cash Equivalents at the beginning of the year	783.77	445.00
Unrealised Gain/(Loss) on foreign currency Cash and Cash Equivalents	0.10	3.18
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>1,410.05</b>	<b>783.77</b>

Notes:

(a) Cash and cash equivalents included in the Statement of Cash Flows comprise the following :

(Amt in Rs. Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance with Banks:		
- Current Accounts	1,354.11	774.77
- Exchange Foreign Currency Account	54.52	7.25
Cash on hand	1.42	1.75
<b>Cash and Cash Equivalent in Statement of Cash Flows</b>	<b>1,410.05</b>	<b>783.77</b>

Material Accounting Policies and key accounting estimates and judgements (Refer Note 1)

See accompanying notes to the financial statements

(b) The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind-AS-7)- Statement of Cash Flow.

As per our report of even date attached

For MAYANK SHAH & ASSOCIATES  
Chartered Accountants  
(Firm Registration No. 106109W)

M.S.SHAH  
PARTNER  
Membership No. 044093

Place: Ahmedabad  
Date : 23 May, 2024

For and on behalf of the Board of Directors of Mazda Limited

Sd/-  
Percy Avari  
Whole-Time Director  
(DIN: 00499114)

Sd/-  
Cyrus Bhagwagar  
Chief Financial Officer

Sd/-  
Mohib Khericha  
Chairman  
(DIN: 00010365)

Sd/-  
Nishith Kayasth  
Company Secretary



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### COMPANY BACKGROUND

Mazda Limited (the 'Company') is a public limited company and incorporated in 1990 under provisions of the Companies Act, 1956. The Company is engaged in the business of manufacturing of Engineering goods like Vacuum Products, Evaporators, Pollution Control Equipments and Manufacturing of Food Products like Food colour, various Fruit Jams & Fruit mix Powders etc. The Company sells its products in the domestic as well as export markets. The equity shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).

### 1. MATERIAL ACCOUNTING POLICIES:

#### 1.1. Basis of preparation of financial statements

##### (i) Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities (including Derivative Instrument) that are measured at fair values and Defined benefit planned assets measured at fair value at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

##### Application of New Accounting Pronouncements

The company has applied the following Ind AS Pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2023 with effect from 1<sup>st</sup> April 2023.

The effect is described below: -

**Ind AS 1-Presentation of Financial Statements:** - The amendment requires disclosure of material accounting policies instead of significant accounting policies. This amendment aims to help entities provide accounting policy disclosures that are more useful by replacing the requirement to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. In the Financial statements, the disclosure of accounting policies has been accordingly modified. The impact of such modifications to the accounting policies is insignificant.

**Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors** -The amendment has defined accounting estimate as well as clarified the distinction between changes in accounting estimates, accounting policies and the correction of errors. There is no impact of the amendment on the Financial Statements.

**Ind AS 12-Income taxes** -The amendment narrows the scope of initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities. There is no impact of the amendment on the financial statements.

##### (ii) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known/materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

##### (iii) Current / Non- Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Companies Act, 2013.

##### (iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs as per the requirement of Schedule III, unless otherwise stated.

#### 1.2. Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other nonrefundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

### Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

### Depreciation:

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimate of the useful life of the assets is determined as prescribed in Schedule II of Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

### Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

### 1.3. Intangible Assets

Intangible assets are initially recognized at cost. Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

#### Amortization

Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss. The estimated useful life of intangible assets is mentioned below:

Computer Software	5 - 6 Years
Licenses & Commercial Rights	12 Years
Trade Mark	10 Years

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

#### Derecognition

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

### 1.4. Investment Property

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the company, are classified as Investment Property. These are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure related to investment properties are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Investment properties are depreciated using the Straight Line Method on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimate of the useful life of the assets is determined as prescribed in Schedule II of Companies Act, 2013.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### 1.5. Impairment

Assets that are subject to depreciation are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expense. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

### 1.6. Lease

#### The Company as lessee

At inception of a contract, the Company assesses whether a contract is or contains a lease. A contract is, or contains, a lease if a 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:

- the contract conveys the right to use an identified asset;
- the Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the identified asset.

At the date of commencement of a lease, the Company recognizes a right-of-use asset ("ROU assets") and a corresponding lease liability for all leases, except for leases with a term of twelve months or less (short-term leases) and low value leases. For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. Lease payments to be made under such reasonably certain extension options are included in the measurement of ROU assets and lease liabilities.

Lease liability is measured by discounting the lease payments using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease payments are allocated between principal and finance cost. The finance cost is charged to statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives and restoration costs.

They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. ROU assets are depreciated on a straight-line basis over the asset's useful life or the lease whichever is shorter.

Impairment of ROU assets is in accordance with the Company's accounting policy for impairment of tangible and intangible assets.

#### Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### Company as a Lessor

Leases in which the company does not substantially transfer all the risks and rewards incidental to ownership of an asset are classified as an operating lease. Rental income arising on such leases is accounted for on a straight-line basis over the lease terms. Initial direct cost in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### 1.7. Financial instruments

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

#### Financial assets

##### Initial recognition and measurement

A financial asset is recognized in the balance sheet when the Company becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through statement of profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

##### Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

- a. Financial assets measured at amortized cost;
- b. Financial assets measured at fair value through other comprehensive income (FVTOCI);
- c. Financial assets measured at fair value through statement of profit and loss (FVTPL)

##### The Company classifies its financial assets in the above mentioned categories based on:

- a. The Company's business model for managing the financial assets;
- b. The contractual cash flows characteristics of the financial asset.

##### Financial assets measured at amortized cost

This category generally applies to trade and other receivables.

A financial asset is measured at amortized cost if both of the following conditions are met:

- a. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- b. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

##### Financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

##### Financial assets measured at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- a. The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets;
- b. The asset's contractual cash flows represent SPPI.

##### Financial assets measured at fair value through the statement of profit and loss (FVTPL)

FVTPL is a residual category. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognized as 'other income' in the Statement of Profit and Loss.

##### Equity Instruments

All the equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL.

If the company decides to classify an equity instrument as at FVTOCI, then all the fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity. Equity instruments included within FVTPL category are measured at fair value with all the changes recognized in statement of profit and loss.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when:

- a. The contractual rights to the cash flows from the financial asset have expired, or
- b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
- c. The Company has transferred substantially all the risks and rewards of the asset, or
- d. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### Impairment of financial assets

In accordance with Ind AS 109, the Company assesses impairment based on expected credit loss (ECL) model to the following:

- a. Financial assets measured at amortized cost;
- b. Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- a. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- b. Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows simplified approach for recognition of impairment loss allowance on trade receivables, under the simplified approach; the Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable which is adjusted for management's estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

### Financial Liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and short term borrowings.

#### Subsequent measurement

- a. Financial liabilities measured at amortized cost;
- b. Financial liabilities subsequently measured at fair value through statement of profit and loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

#### Trade and other payables

These amounts represent liability for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

#### Fair Value

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

### 1.8. Derivative financial instruments and Hedge Accounting

#### Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

### 1.9. Inventories

Raw materials, work-in-progress, finished goods, packing materials, stores, spares, components and consumables are carried at the lower of cost or net realizable value. Goods-in-Transit are stated at cost. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by item basis.

In determining the cost of raw materials, packing materials, stock-in-trade, stores, spares, components and consumables, FIFO method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

### 1.10. Revenue Recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

#### Sale of products

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e. when the material is shipped to the customer or on delivery to the customers either at factory gate of the Company or specific location of the customer or when the goods are handed over to the freight carrier, as per the terms of the contract.

#### Revenue from services

Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligation for the services rendered.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### Interest and dividends

Interest income is recognized using effective interest method. Dividend income is recognized when the right to receive dividend is established.

### Rental Income

Rental income arising from operating lease of investment properties are accounted on straight line basis over the lease term.

### Other Operating Revenue - Export Incentive

Export Incentives are recognized as income when right to receive credit as per the terms of the scheme is established in respect of the exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Advance from customers is recognised under other liabilities and released to revenue on satisfaction of performance obligation.

### 1.11. Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

The Board of Directors (BOD) of the Company assesses the financial performance and position of the Company, and makes strategic decisions; hence the Board of Directors are CODM. Refer note 39 for segment related information.

### 1.12. Borrowing Costs

There are no Interest and other borrowing costs that are attributable to qualifying assets. Other interest and borrowing costs are charged to Statement of Profit and Loss.

### 1.13. Earnings per Share

#### Basic earnings per share

Basic EPS amounts are calculated by dividing the profit or loss for the year attributable to equity holders of the Company by the weighted average number of Equity Shares outstanding during the year.

#### Diluted earnings per share

Diluted earnings per share is calculated by dividing the profit or loss for the year attributable to the equity holders of the Company by weighted average number of Equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential Equity shares in to Equity shares.

### 1.14. Foreign Currency Translation

#### Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

#### Initial Recognition

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

#### Transactions and balances

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realized gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Exchange differences arising out of these Translations are recognized in the Statement of Profit and Loss.

### 1.15. Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

### Deferred tax

Deferred tax is recognized 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 under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized.

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 profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

### Presentation of current and deferred tax

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

### 1.16. Provisions and Contingent Liabilities

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

### 1.17. Employee Benefits

#### (1) Short Term Employee Benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus, short term compensated absences, ex-gratia, etc. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

#### (2) Other long-term employee benefit obligations

Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### (i) Defined Privilege Leave Benefit plan

Entitlements to annual leave, which are expected to be availed and encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of leave encashment as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Leave encashment, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long-term employee benefits.

The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

### (3) Post-Employment Benefits

#### (i) Defined Contribution plans

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees.

#### Provident Fund scheme

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred. The contributions are made to a government administered Provident Fund towards which the Company has no further obligations beyond its monthly contributions.

#### Recognition and measurement of defined contribution plans

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceed the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

#### (ii) Defined Benefit plans

##### Defined Benefit Gratuity plan

The Company has funded its gratuity liability with Aviva Life Insurance Company India Limited.

##### Recognition and measurement of Defined Benefit plans

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the Aviva Life Insurance Company India Limited within the next twelve months.

### 1.18. Cash and Cash Equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments net of bank overdrafts which are repayable on demand as these form an integral part of the Company's cash management.

### 1.19. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### 1.20. Key Accounting Estimates And Judgments

The preparation of the Company's financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### **Critical accounting estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

#### **Income taxes**

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions (Refer Note 30).

#### **Property, Plant and Equipment**

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

#### **Defined Benefit Obligation**

The costs of providing gratuity and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 36 'Employee benefits'.

#### **Fair value measurement of Financial Instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cashflow model, which involve various judgments and assumptions.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 2: PROPERTY, PLANT AND EQUIPMENT

(Amt in Rs. Lacs)

Particulars	Gross Carrying Value			Accumulated Depreciation			Net Carrying Value	
	Balance as at April 1, 2023	Additions during the year	Deductions during the year	Balance as at March 31, 2024	Depreciation during the year	Deductions during the year	Balance as at March 31, 2024	Balance as at March 31, 2023
Land	1,143.44	-	-	1,143.44	-	-	1,143.44	1,143.44
Buildings	4,630.52	42.04	0.11	4,672.44	142.54	0.03	723.78	3,948.66
Plant and Machineries	2,309.82	114.52	13.72	2,410.63	111.68	10.81	1,124.03	1,286.67
Furniture & Fixtures	382.99	27.25	1.17	409.06	24.68	1.11	195.05	211.51
Vehicles	261.73	90.77	20.43	332.08	25.20	13.83	149.68	123.42
Office Equipment	165.96	15.58	3.48	178.06	13.35	3.31	124.91	51.09
Computers	189.28	11.28	62.90	137.65	8.92	59.76	113.00	25.45
Patterns	6.47	9.72	-	16.19	3.65	0.67	4.32	2.82
Electrical Installation	472.11	7.31	-	479.42	32.23	-	196.05	308.29
<b>Total Property, Plant &amp; Equipment</b>	<b>9,562.31</b>	<b>318.46</b>	<b>101.81</b>	<b>9,778.97</b>	<b>359.28</b>	<b>88.85</b>	<b>2,630.81</b>	<b>7,201.92</b>
Capital Work-In-Progress	-	-	-	-	-	-	-	46.18

Particulars	Gross Carrying Value			Accumulated Depreciation			Net Carrying Value	
	Balance as at April 1, 2022	Additions during the year	Deductions during the year	Balance as at March 31, 2023	Depreciation during the year	Deductions during the year	Balance as at March 31, 2023	Balance as at March 31, 2022
Land	1,143.44	-	-	1,143.44	-	-	-	1,143.44
Buildings	1,716.43	2,999.61	85.53	4,630.52	117.28	53.62	581.27	4,049.24
Plant and Machineries	1,451.91	887.41	29.50	2,309.82	94.23	22.93	1,023.15	1,286.67
Furniture & Fixtures	232.63	151.67	1.32	382.99	18.10	1.25	171.48	211.51
Vehicles	232.70	29.03	-	261.73	19.07	-	138.32	123.42
Office Equipment	131.83	36.30	2.17	165.96	9.61	2.06	114.87	51.09
Computers	180.54	8.73	-	189.28	6.92	-	163.83	23.63
Patterns	6.47	-	-	6.47	0.40	-	3.65	2.82
Electrical Installation	187.77	294.70	10.37	472.11	24.18	9.32	163.82	308.29
<b>Total Property, Plant &amp; Equipment</b>	<b>5,283.73</b>	<b>4,407.46</b>	<b>128.88</b>	<b>9,562.31</b>	<b>289.77</b>	<b>89.18</b>	<b>2,360.39</b>	<b>3,123.93</b>
Capital Work-In-Progress	-	-	-	-	-	-	-	46.18

(i) Information on property, plant and equipment Pledge/Hypothecation as security by the company (Refer Note 15).

Ageing schedule of Capital WIP :-	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 Years	2-3 Years	
Capital WIP Ageing Schedule as on 31.03.2024	---	---	---	---
Projects in Progress	---	---	---	---
Capital WIP Ageing Schedule as on 31.03.2023	11.18	31.94	3.07	46.18
Projects in Progress	---	---	---	---

There are no Capital work in Progress where completion is overdue against planned timelines or where estimated cost exceeded its original planned costs as on 31st March, 2024 & 31st March, 2023.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE : 3 INVESTMENT PROPERTY

(Amt in Rs. Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Gross carrying amount</b>		
<b>Building</b>		
Opening Balance	316.01	315.06
Additions	0.74	0.95
Deductions	-	-
<b>Closing Balance (A)</b>	<b>316.75</b>	<b>316.01</b>
<b>Depreciation</b>		
Opening Balance	21.81	16.04
Additions	6.00	5.77
Deductions	-	-
<b>Closing Balance (B)</b>	<b>27.81</b>	<b>21.81</b>
<b>Net carrying amount (A-B)</b>	<b>288.94</b>	<b>294.20</b>

#### Disclosure pursuant to Ind AS 40 "Investment Property"

#### (i) Amount recognised in the statement of Profit and Loss for Investment Property

(Amt in Rs. Lacs)

Particulars	2023-24	2022-23
Rental income derived from Investment Properties	11.12	10.99
Direct operating expenses pertaining to investment property that generated rental income	(9.36)	(7.71)
Direct operating expenses pertaining to investment property that did not generate rental income	-	-
Profit from Investment Properties before depreciation	1.77	3.28
Depreciation	(6.00)	(5.77)
<b>Profit/(Loss) from investment properties</b>	<b>(4.23)</b>	<b>(2.49)</b>

- (ii) The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop Investment Properties as at the year end.

#### (iii) Fair Value

(Amt in Rs. Lacs)

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Investment property	327.00	327.00

#### Estimation of fair value

The best evidence of fair value is current prices in an active market for similar properties. Since investment properties leased out by the Company are cancellable and non-cancellable leases, the market rate for sale/purchase of such premises are representative of fair values. Company's investment properties are at a location where active market is available for similar kind of properties. Hence fair value is ascertained on the basis of market rates prevailing for similar properties in those location determined by an independent registered valuer, as defined under Rule 2 of The Companies (Registered Valuers and Valuation) Rules 2017, and consequently classified as a level 2 valuation.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024**

**NOTE 4 : INTANGIBLE ASSETS**

(Amt in Rs. Lacs)

PARTICULARS	Gross Carrying Value			Accumulated Amortisation			Net Carrying Value	
	Balance as at April 1, 2023	Additions during the year	Deductions during the year	Balance as at March 31, 2024	Amortisation during the year	Deductions during the year	Balance as at March 31, 2024	Balance as at March 31, 2023
Computer software	28.97	2.83	-	31.81	3.88	-	19.95	12.90
Licenses & Commercial Rights	12.04	-	-	12.04	1.00	-	2.71	10.33
Trademark	2.52	-	-	2.52	0.25	-	0.81	1.97
<b>Total Intangible Assets</b>	<b>43.53</b>	<b>2.83</b>	<b>-</b>	<b>46.36</b>	<b>5.13</b>	<b>-</b>	<b>23.46</b>	<b>25.20</b>

PARTICULARS	Gross Carrying Value			Accumulated Amortisation			Net Carrying Value	
	Balance as at April 1, 2022	Additions during the year	Deductions during the year	Balance as at March 31, 2023	Amortisation during the year	Deductions during the year	Balance as at March 31, 2023	Balance as at March 31, 2022
Computer software	17.44	11.54	-	28.97	3.89	-	16.07	5.25
Licenses & Commercial Rights	12.04	-	-	12.04	1.00	-	1.70	11.34
Trademark	2.52	-	-	2.52	0.25	-	0.56	2.22
<b>Total Intangible Assets</b>	<b>32.00</b>	<b>11.54</b>	<b>-</b>	<b>43.53</b>	<b>5.14</b>	<b>-</b>	<b>18.33</b>	<b>18.81</b>

**NOTE : 5 RIGHT OF USE ASSETS**

RIGHT OF USE ASSETS	(Amt in Rs. Lacs)	
		BUILDING
<b>COST</b>		
At 1st April, 2022	48.12	
Additions during the year	49.47	
Deductions during the year	12.82	
<b>At 31st March 2023</b>	<b>84.77</b>	
Additions during the year	-	
Deductions during the year	84.77	
At 31st March, 2024	-	
<b>ACCUMULATED DEPRECIATION</b>		
At 1st April, 2022	22.41	
Additions during the year	14.61	
Deductions during the year	12.82	
<b>At 31st March, 2023</b>	<b>24.21</b>	
Additions during the year	31.17	
Deductions during the year	55.38	
At 31st March, 2024	-	
<b>Net carrying value as at 31 March, 2024</b>	<b>-</b>	<b>-</b>
<b>Net carrying value as at 31 March, 2023</b>	<b>-</b>	<b>60.56</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 6 : INVESTMENTS

PARTICULARS	As at 31st March, 2024		As at 31st March, 2023	
	Qty	(Amt in Rs. Lacs)	Qty	(Amt in Rs. Lacs)
<b>Non-Current Investments</b>				
<b>(A) Investments in Equity Instruments at fair value through Other Comprehensive Income (FVTOCI)</b>				
<b>Quoted Equity Shares</b>				
Chartered Capital and Investment Limited (Face Value of Rs.10 Each)	94,564	226.95	94,564	128.51
<b>Total Quoted Equity Shares</b>		<b>226.95</b>		<b>128.51</b>
<b>(B) Investments in Equity Instruments at fair value through Profit &amp; Loss Account (FVTPL)</b>				
<b>Unquoted Equity Shares</b>				
Bombay Mercantile Co-Op Banks Ltd	100	0.03	100	0.03
<b>Total Unquoted Equity Shares</b>		<b>0.03</b>		<b>0.03</b>
<b>Total Investments in Equity Instruments</b>		<b>226.98</b>		<b>128.54</b>
<b>(C) Investments in Mutual Funds at fair value through Profit &amp; Loss Account (FVTPL)</b>				
<b>Quoted Mutual Funds</b>				
<b>Units of Rs. 10 Each , unless otherwise specified</b>				
Franklin India Credit Risk Fund Growth	-	-	70,750	17.57
Franklin India Dynamic Accrual Growth	-	-	8,39,051	2.60
<b>Total Investments in Mutual Funds -Quoted</b>		<b>-</b>		<b>20.16</b>
<b>Total (A+B+C)</b>		<b>226.98</b>		<b>148.71</b>
Aggregate amount of Unquoted Investments -At Cost		<b>0.03</b>		<b>0.03</b>
Aggregate amount of Quoted Investments -At Cost		<b>41.86</b>		<b>54.34</b>
Aggregate amount of Quoted Investments -At Market Value		<b>226.95</b>		<b>148.68</b>
<b>Current Investments</b>				
<b>Investments in Mutual Funds at fair value through Profit &amp; Loss Account (FVTPL)</b>				
<b>Quoted Mutual Funds</b>				
<b>Units of Rs. 10 Each , unless otherwise specified</b>				
HDFC CREDIT RISK DEBT RP (G) FUND	25,07,338	546.30	25,07,338	507.90
HDFC NIFTY G-SEC SEP2032 INDEX FUND REGULAR PLAN	31,09,901	344.74	31,09,901	317.76
SBI CORPORATE BOND FUND	14,85,512	208.01	7,66,480	100.13
SBI CRISIL IBX SDL INDEX SEPTEMBER 2027 FUND*	29,99,850	332.51	29,99,850	311.17
ICICI Prudential Credit Risk Fund-Growth	35,46,317	1,014.24	35,46,317	939.15
HDFC Medium Term Debt Fund	2,81,620	143.42	12,37,996	586.61
ICICI Prudential Medium Term Fund	14,70,742	593.69	23,47,728	881.78
Axis Midcap Fund -Direct Plan Growth	41,251	43.01	36,863	26.91
ICICI Prudential NIFTY Low Vol 30	-	-	2,36,917	27.88

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

PARTICULARS	As at 31st March, 2024		As at 31st March, 2023	
	No. of Units	(Amt in Rs. Lacs)	No. of Units	(Amt in Rs. Lacs)
Invesco India Small Cap Fund	-	-	1,25,882	28.60
Parag Parikh Flexi Cap Fund	98,992	74.11	44,896	23.82
PGIM India Midcap Opportunity Fund	-	-	61,098	28.67
SBI CPSE BP SDL SEP2026 50:50 INDEX (AG LIEN)**	49,55,143	551.02	38,19,568	396.85
Franklin India Smaller Companies Fund	12,166	20.07	-	-
Bandhan Dynamic Bond Fund	16,01,924	500.25	-	-
DSP Mid cap Fund	15,384	19.65	-	-
HDFC Money Market Fund	4,558	237.38	-	-
HDFC Multi Asset RP (G)	8,62,031	528.18	-	-
ICICI Prudential Multi Asset Allocation Fund	81,172	515.65	-	-
ICICI Pru Passive Strategy FOF	47,487	68.92	-	-
Invesco India Arbitrage Fund	22,02,317	644.25	-	-
Kotak Balance Advantage Fund (G)	31,16,954	557.31	-	-
Kotak Smallcap Fund-Direct Plan-Growth	15,880	39.91	-	-
Nippon India Balanced Advantage Fund	3,57,343	555.64	-	-
<b>Total Investments in Mutual Funds -Quoted</b>		<b>7,538.28</b>		<b>4,177.23</b>
Aggregate amount of Quoted Investments -At Cost		<b>6,843.63</b>		<b>3,875.70</b>
Aggregate amount of Quoted Investments -At Market Value		<b>7,538.28</b>		<b>4,177.23</b>

\* Lien has been marked on SBI CRISIL IBX SDL INDEX SEPTEMBER 2027 fund against odhav property.

\*\* Lien has been marked on MF SBI CPSE BP SDL SEP2026 50:50 INDEX towards margin money for performance bank guarantee limit of Rs. 30.00 crore sanctioned by State Bank of India.

Refer Note 31 for information about fair value measurement, credit risk and market risk of investments.

### NOTE 7 : LOANS

(Amt in Rs. Lacs)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<b>Non current loans</b>		
<b>Unsecured and Considered good</b>		
Loan to Employees	2.81	3.71
<b>TOTAL</b>	<b>2.81</b>	<b>3.71</b>
<b>Current loans</b>		
<b>Unsecured and Considered good</b>		
Loan to Employees	8.17	6.74
<b>TOTAL</b>	<b>8.17</b>	<b>6.74</b>

Refer Note 31 for information about credit risk and market risk for loans.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(Amt in Rs. Lacs)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<b>NOTE 8 : OTHER FINANCIAL ASSETS</b>		
<b>Other Non Current Financial Assets</b>		
<b>Unsecured and Considered good</b>		
Security Deposits with Related Parties (Refer Note 38)	50.00	50.00
Security Deposits	91.91	99.53
<b>TOTAL</b>	<b>141.91</b>	<b>149.53</b>
<b>Other Current Financial Assets</b>		
Foreign exchange forward contracts	0.29	-
Interest accrued on deposits	2.24	1.54
<b>TOTAL</b>	<b>2.53</b>	<b>1.54</b>
<b>NOTE 9 : OTHER ASSETS</b>		
<b>Other Non Current Assets</b>		
Capital advances	1.33	-
Prepaid Expenses	3.59	3.68
<b>TOTAL</b>	<b>4.92</b>	<b>3.68</b>
<b>Other Current Assets</b>		
Gratuity (Refer Note 36)	-	34.30
Leave Benefit (Refer Note 36)	48.19	121.42
Advance to Suppliers	68.05	191.54
Prepaid Expenses	32.15	29.57
Balance with Statutory Authorities	29.60	126.56
Export Incentive Receivable	65.83	39.04
Other Receivable	1.07	0.39
<b>TOTAL</b>	<b>244.89</b>	<b>542.82</b>
<b>NOTE 10 : INCOME TAX ASSETS (NET)</b>		
Advance Payment of Income Tax (Net of Provisions)	78.23	-
<b>TOTAL</b>	<b>78.23</b>	<b>-</b>
<b>NOTE 11 : INVENTORIES (At lower of cost or net realisable value)</b>		
Raw Materials and Packing Materials	1,908.34	1,927.41
Work-in-Progress	827.91	2,379.03
Finished Goods	737.35	834.97
Finished Goods in Transit	74.38	104.52
Stores and Spares	43.86	43.67
<b>TOTAL</b>	<b>3,591.83</b>	<b>5,289.61</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(Amt in Rs. Lacs)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<b>NOTE 12 : TRADE RECEIVABLES</b>		
Secured, considered good	-	-
Unsecured, considered good	3,318.05	3,670.45
Unsecured, considered doubtful	-	-
	3,318.05	3,670.45
Less: Allowances for unsecured doubtful debts	-	-
<b>TOTAL</b>	<b>3,318.05</b>	<b>3,670.45</b>

Refer note 31 for information about credit risk and market risk of trade receivables.

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 firm or private companies respectively in which any director is a partner, a director or a member.

(Amt in Rs. Lacs)

Ageing of Undisputed Trade Receivables (considered good)	Outstanding for following periods from Transaction Date	
	As at 31st March, 2024	As at 31st March, 2023
Less than 6 months	2,674.84	2,999.09
6 months-1 year	304.49	308.28
1-2 years	315.92	107.57
2-3 years	11.69	39.49
More than 3 years	11.10	216.01
<b>TOTAL</b>	<b>3,318.05</b>	<b>3,670.45</b>
<b>NOTE 13A : CASH AND BANK EQUIVALENTS</b>		
(a) Balances with Banks		
(i) Current Accounts	1,354.11	774.77
(ii) Exchange Earners Foreign Currency Account	54.52	7.25
(b) Cash on hand	1.42	1.75
<b>TOTAL</b>	<b>1,410.05</b>	<b>783.77</b>
<b>NOTE 13B : OTHER BALANCES WITH BANKS</b>		
Unpaid Dividend Account	21.03	22.54
<b>TOTAL</b>	<b>21.03</b>	<b>22.54</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 14A : EQUITY SHARE CAPITAL

(Amt in Rs. Lacs)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<b>Authorised Capital</b>		
50,00,000 Equity Shares of Rs. 10 each	500.00	500.00
	<b>500.00</b>	<b>500.00</b>
<b>Issued, Subscribed and Fully Paid up Capital</b>		
40,05,000 Equity Shares of Rs. 10 each fully paid	400.50	400.50
	<b>400.50</b>	<b>400.50</b>

#### a) Reconciliation of shares outstanding at the beginning and at the end of the year

PARTICULARS	As at 31st March, 2024		As at 31st March, 2023	
	No. of Shares	Amt in Lacs	No. of Shares	Amt in Lacs
At the beginning of the year	40,05,000	400.50	40,05,000	400.50
Add: Issued during the year	-	-	-	-
Less: Bought back during the year	-	-	-	-
<b>At the end of the year</b>	<b>40,05,000</b>	<b>400.50</b>	<b>40,05,000</b>	<b>400.50</b>

#### b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each Equity Shareholder is entitled to one vote per share. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

#### c) Details of Shareholders holding more than 5% equity shares in the Company

Name of the Shareholders	As at 31st March, 2024		As at 31st March, 2023	
	No. of Equity Shares	% held	No. of Equity Shares	% held
Shanaya Mody Khatua	12,54,228	31.32%	12,54,228	31.32%
Percy Xerex Avari	4,06,088	10.14%	4,06,088	10.14%
Croll Reynolds International Inc.	2,89,500	7.23%	2,89,500	7.23%
Sheila Sorab Mody	2,75,700	6.88%	2,75,700	6.88%

#### d) Shares held by Promoter & Promoter group as defined in the Companies Act, 2013 at the end of the year

Name of the Promoter & Promoters group	As at 31st MARCH, 2024		As at 31st MARCH, 2023		% Change during the year
	No. of Equity Shares	% held	No. of Equity Shares	% held	
Shanaya Mody Khatua	12,54,228	31.32%	12,54,228	31.32%	-
Percy Xerex Avari	4,06,088	10.14%	4,06,088	10.14%	-
Sheila Sorab Mody	2,75,700	6.88%	2,75,700	6.88%	-
Xerxis Avari	100	0.00%	100	0.00%	-
Katty Avari	100	0.00%	100	0.00%	-

#### e) Details of share bought back for the period of five years immediately preceding Balance sheet Date.

The Company bought back 2,53,000 equity shares of Rs. 10/- each dated 06-03-2019 for an aggregate amount of Rs.1092 lacs being 5.94 % of total paid up equity share capital at an average price of Rs. 431.70 per equity share. The Equity Shares bought back were extinguished in terms of Regulation 21 read with Regulation 11 of the SEBI Buy Back Regulations 2018.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 14B : OTHER EQUITY

(Amt in Rs. Lacs)

OTHER EQUITY	Reserves & Surplus				Equity Instrument through OCI	Total
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings		
<b>Balance as at April 1, 2022 (A)</b>	4.25	66.98	327.90	15,554.84	48.33	16,002.30
Addition during the year:						
Profit for the period	-	-	-	2,662.64	-	2,662.64
Items of OCI for the year, net of tax:						
Remeasurement benefit of defined benefit plans	-	-	-	(20.61)	-	(20.61)
Net fair value gain/(loss) on investment in equity instruments through OCI	-	-	-	-	30.02	30.02
<b>Total Comprehensive Income for the year 2022-23 (B)</b>	-	-	-	2,642.03	30.02	2,672.04
Reductions during the year:						
Dividends (Refer Note 33)	-	-	-	(484.61)	-	(484.61)
<b>Total (C)</b>	-	-	-	(484.61)	-	(484.61)
<b>Balance as at 31st March, 2023 (D)=(A+B+C)</b>	4.25	66.98	327.90	17,712.26	78.35	18,189.74
Addition during the year:						
Profit for the period	-	-	-	3,152.03	-	3,152.03
Items of OCI for the year, net of tax:						
Remeasurement benefit of defined benefit plans	-	-	-	(44.71)	-	(44.71)
Net fair value gain/(loss) on investment in equity instruments through OCI	-	-	-	-	87.18	87.18
<b>Total Comprehensive Income for the year 2023-24 (E)</b>	-	-	-	3,107.32	87.18	3,194.50
Reductions during the year:						
Dividends (Refer Note 33)	-	-	-	(560.70)	-	(560.70)
<b>Total (F)</b>	-	-	-	(560.70)	-	(560.70)
<b>Balance as at 31st March, 2024 (G) = (D+E+F)</b>	4.25	66.98	327.90	20,258.88	165.53	20,823.54

#### Description of nature and purpose of each reserve

**General Reserve** - General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

**Capital Reserve** - Capital reserve is utilised in accordance with provision of the Companies Act.

**Capital Redemption Reserve** - Represent reserve created during buy back of Equity Shares and it is a non-distributable reserve.

**Equity instruments through other comprehensive income** - This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 15 : BORROWINGS\*

(Amt in Rs. Lacs)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<b>Non Current Borrowings</b>		
<b>Secured Loan</b>		
Working Capital Loan from Banks	-	-
<b>TOTAL</b>	-	-
<b>Current Borrowings</b>		
Current Maturities of Long Term Borrowings	-	-
<b>TOTAL</b>	-	-

\*Refer Note 31 for information about liquidity risk.

#### Notes:

Cash credit facility, Export Packing Credit facility from the State Bank of India are secured by the Pledge/Hypothecation of stock, book debts, Plant & Machineries and collateral secured by equitable mortgage of Land and Building situated at unit I & II of Mazda Limited and also personally guaranteed by Mrs. Shanaya Mody Khatua, who is the whole time director of the company and personally guaranteed by Mrs. Sheila S. Mody, who is the Non Executive Director of the Company.

### NOTE 16 : OTHER FINANCIAL LIABILITIES

(Amt in Rs. Lacs)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<b>Non Current Financial Liabilities</b>		
Deposits	2.68	1.79
<b>TOTAL</b>	<b>2.68</b>	<b>1.79</b>
<b>Current Financial Liabilities</b>		
Payable to employees (Note 16.1)	285.91	257.32
Payable towards other expenses	68.43	53.17
Payable towards capital expenditure	0.81	10.69
Unclaimed Dividends (Note 16.2)	21.03	22.54
Deposits	-	1.11
<b>TOTAL</b>	<b>376.17</b>	<b>344.83</b>

16.1 Payable to employees includes Rs. 183.07 Lacs (31/03/2023 Rs. 173.22 Lacs) to related parties. (Refer Note 38)

16.2 There is no amount due for the payment to investor education and protection fund as on 31st March, 2024.

### NOTE 17 : PROVISIONS

(Amt in Rs. Lacs)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<b>Non Current Provisions</b>		
Provision for Sick Leave (Refer Note 36)	19.22	17.43
<b>TOTAL</b>	<b>19.22</b>	<b>17.43</b>
<b>Current Provisions</b>		
<b>Provision for Employee Benefits</b>		
Provisions for Gratuity (Refer Note 36)	32.14	-
Provision for Sick Leave (Refer Note 36)	5.15	4.70
<b>TOTAL</b>	<b>37.28</b>	<b>4.70</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 18 : DEFERRED TAX LIABILITIES (NET)

(Amt in Rs. Lacs)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<b>Deferred Tax Liabilities</b>		
Property, plant and equipment - difference between value of assets as per book base and tax base	315.87	242.59
Difference in carrying value and tax base of investment measured at FVTPL	103.83	36.89
Provision for employee benefits	-	33.62
Unrealised gain on outstanding forward exchange contract	0.07	-
Difference in Right-of-use asset and lease liabilities	0.01	-
Difference in carrying value and tax base of investment measured at FVTOCI	19.56	8.30
<b>Total Deferred Tax Liabilities (A)</b>	<b>439.35</b>	<b>321.39</b>
<b>Deferred Tax Asset</b>		
Difference in Right-of-use asset and lease liabilities	-	0.62
Provision for employee benefits	2.09	-
<b>Total Deferred Tax Assets (B)</b>	<b>2.09</b>	<b>0.62</b>
<b>TOTAL (A-B)</b>	<b>437.26</b>	<b>320.78</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

#### (i) Movements in Deferred Tax Assets and (Liabilities) during the year ended March 31, 2024

(Amt in Rs. Lacs)

Particulars	Balance Sheet	Profit & loss	OCI	Balance Sheet
	01.04.2023	2023-24	2023-24	31.03.2024
Property, plant and equipment - difference between value of assets as per book base and tax base	(242.59)	(73.29)	-	(315.87)
Difference in carrying value and tax base of investment measured at FVTPL	(36.89)	(66.95)	-	(103.83)
Difference in carrying value and tax base of investment measured at FVTOCI	(8.30)	-	(11.26)	(19.56)
Unrealised gain/loss on outstanding forward contract	-	(0.07)	-	(0.07)
Provision for employee benefits	(33.62)	20.67	15.04	2.09
Difference in Right-of-use asset and lease liabilities	0.62	(0.62)	-	(0.01)
<b>Deferred Tax (Expenses)/benefit</b>	<b>-</b>	<b>(120.25)</b>	<b>3.78</b>	<b>-</b>
<b>Net Deferred Tax Liabilities</b>	<b>(320.78)</b>	<b>-</b>	<b>-</b>	<b>(437.26)</b>

#### (ii) Movements in Deferred Tax Assets and (Liabilities) during the year ended March 31, 2023

(Amt in Rs. Lacs)

Particulars	Balance Sheet	Profit & loss	OCI	Balance Sheet
	01.04.2022	2022-23	2022-23	31.03.2023
Property, plant and equipment - difference between value of assets as per book base and tax base	(150.20)	(92.39)	-	(242.59)
Difference in carrying value and tax base of investment measured at FVTPL	(43.13)	6.24	-	(36.88)
Difference in carrying value and tax base of investment measured at FVTOCI	(5.98)	-	(2.32)	(8.30)
Unrealised gain/loss on outstanding forward contract	(1.23)	1.23	-	-
Provision for employee benefits	(11.99)	(28.56)	6.93	(33.62)
Difference in Right-of-use asset and lease liabilities	0.49	0.12	-	0.62
<b>Deferred Tax (Expenses)/benefit</b>	<b>-</b>	<b>(113.35)</b>	<b>4.61</b>	<b>-</b>
<b>Net Deferred Tax Liabilities</b>	<b>(212.04)</b>	<b>-</b>	<b>-</b>	<b>(320.78)</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 19 : OTHER LIABILITIES

(Amt in Rs. Lacs)

PARTICULARS	(Amt in Rs. Lacs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>Non Current</b>		
Other Non Current Liabilities	0.60	0.62
<b>TOTAL</b>	<b>0.60</b>	<b>0.62</b>
<b>Current</b>		
Statutory Liabilities #	46.72	43.36
Advance from Customers	488.68	1,125.90
Other Current Liabilities	0.20	0.22
<b>TOTAL</b>	<b>535.60</b>	<b>1,169.48</b>
# Statutory liabilities represent amount payable towards TDS, PF, ESIC etc.		
<b>NOTE 20 : INCOME TAX LIABILITIES (NET)</b>		
Provision for Income Tax (net)	-	67.23
<b>TOTAL</b>	<b>-</b>	<b>67.23</b>
<b>NOTE 21 : TRADE PAYABLES*</b>		
Due to Micro and Small Enterprises (Refer Note 35)	142.26	248.37
Due to others (Note 21.1)	1,274.56	1,599.90
<b>TOTAL</b>	<b>1,416.83</b>	<b>1,848.27</b>

\*Refer Note 31 for information about liquidity risk and market risk of trade payables.

21.1 Trade Payable includes Rs. 87.70 Lacs (31/03/2023 Rs. 82.81 Lacs) to related parties. (Refer Note 38)

(Amt in Rs. Lacs)

Ageing of Undisputed Trade Payables	Outstanding for following periods from Transaction Date	
	As at 31st March, 2024	As at 31st March, 2023
<b>MSME</b>		
Less than 1 Year	142.26	248.37
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>TOTAL</b>	<b>142.26</b>	<b>248.37</b>
<b>Others</b>		
Less than 1 Year	1,229.36	1,567.99
1-2 years	17.56	21.88
2-3 years	16.46	1.13
More than 3 years	11.17	8.90
<b>TOTAL</b>	<b>1,274.56</b>	<b>1,599.90</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 22 : REVENUE FROM OPERATIONS

(Amt in Rs. Lacs)

PARTICULARS	2023-24	2022-23
Revenue from Sale of Products	22,223.12	18,625.78
Revenue from Sale of Services	153.37	333.22
Other Operating Revenues	166.46	192.88
<b>Total Revenue from Operations</b>	<b>22,542.95</b>	<b>19,151.88</b>
<b>A. Revenue from contracts with customers disaggregated based on nature of products and Services</b>		
<b>Revenue from sale of products</b>		
<b>Manufactured Goods</b>		
Vacuum Systems	8,456.00	7,847.01
Evaporators	5,490.04	3,695.81
B Cool (Food Division)	2,963.05	2,599.30
Condensers	1,731.16	1,824.22
Pollution Control Equipment	608.55	426.86
Vacuum Pumps	750.06	609.03
Thermo Compressors	381.13	391.93
Heater	233.39	197.03
Others (Including Spares)	1,609.74	1,034.59
<b>TOTAL (I)</b>	<b>22,223.12</b>	<b>18,625.78</b>
<b>Revenue from Sale of Services</b>		
<u>Domestic</u>		
Consultancy Income	51.06	43.17
Equipment Repairs Income	57.84	37.23
Erection, Commissioning & Installation Income	17.20	243.64
Packing/Freight Income	16.34	-
<u>Exports</u>		
Consultancy Income	-	6.44
Equipment Repairs Income	10.93	2.75
<b>TOTAL (II)</b>	<b>153.37</b>	<b>333.22</b>
<b>Other Operating Revenues</b>		
Sale of Scrap	82.50	114.22
Export incentive income	83.97	78.66
<b>TOTAL (III)</b>	<b>166.46</b>	<b>192.88</b>
<b>Total Revenue from Operations (I+II+III)</b>	<b>22,542.95</b>	<b>19,151.88</b>
<b>B. Revenue from contracts with customers disaggregated based on Geography</b>		
Domestic	17,372.08	14,858.04
Exports	5,170.87	4,293.84
<b>Revenue from operations</b>	<b>22,542.95</b>	<b>19,151.88</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### C. Revenue from contracts with customers disaggregated based on Business Segment

(Amt in Rs. Lacs)

PARTICULARS	2023-24	2022-23
Engineering Products	19,532.56	16,488.74
Food Products	3,010.39	2,663.14
<b>Revenue from operations</b>	<b>22,542.95</b>	<b>19,151.88</b>
<b>D. Reconciliation of Revenue from operations with contract price</b>		
Contracted price	22,585.59	19,157.57
Export incentive income	83.97	78.66
	22,669.56	19,236.23
Less:-		
Sales returns	59.13	19.14
Discounts	67.48	65.21
<b>Net Revenue recognised from Contracts with Customers</b>	<b>22,542.95</b>	<b>19,151.88</b>
<b>The following table provides information about receivables, contract assets and contract liabilities from contracts with customers</b>		
<b>E. Contract balances</b>		
Trade receivables	3,318.05	3,670.45
Advances from customers (Refer Note 19)	488.68	1,125.90
<b>NOTE 23 : OTHER INCOME</b>		
Interest Income	2.06	1.54
Rent Income	11.32	11.21
Incentive Income	-	6.00
Gain on termination of Lease assets	2.34	-
Other Income	3.44	3.00
<b>Other Gain &amp; Losses</b>		
Gain on sale of investment measured at FVTPL (Net)	111.34	31.24
Gain on fair valuation of investment measured at FVTPL (Net)	468.70	129.92
Net Foreign exchange Gain	58.92	51.01
<b>TOTAL</b>	<b>658.12</b>	<b>233.92</b>
<b>NOTE 24 : COST OF MATERIALS CONSUMED</b>		
Inventory at the beginning of the Year	1,927.41	1,564.38
Add: Purchases	9,930.25	11,128.16
	<b>11,857.66</b>	<b>12,692.53</b>
Less: Inventory at the end of the Year	1,908.34	1,927.41
<b>TOTAL</b>	<b>9,949.32</b>	<b>10,765.13</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 25 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(Amt in Rs. Lacs)

PARTICULARS	2023-24	2022-23
<b>Inventory at the end of the Year</b>		
Work-in-Progress	827.91	2,379.03
Finished Goods-in-Transit	74.38	104.52
Finished Goods	737.35	834.97
	<b>1,639.64</b>	<b>3,318.53</b>
<b>Inventory at the beginning of the Year</b>		
Work-in-Progress	2,379.03	1,202.09
Finished Goods-in-Transit	104.52	129.72
Finished Goods	834.97	524.03
	<b>3,318.53</b>	<b>1,855.84</b>
<b>Changes in Inventories of Finished Goods and Work-in-Progress</b>	<b>1,678.89</b>	<b>(1,462.69)</b>
<b>NOTE 26 : EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages and Bonus	2,505.91	2,242.22
Contribution to Provident and Other Fund (Refer Note 36 )	55.42	54.68
Gratuity Expense (Refer Note 36 )	41.68	41.93
Staff Welfare Expenses	63.23	28.31
<b>TOTAL</b>	<b>2,666.25</b>	<b>2,367.14</b>
<b>NOTE 27 : FINANCE COSTS</b>		
Interest on lease liabilities	1.72	3.39
Other borrowing cost	52.63	59.55
Interest on Income Tax	0.03	-
<b>TOTAL</b>	<b>54.38</b>	<b>62.94</b>
<b>NOTE 28 : DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation of Tangible assets (Refer Note 2)	359.28	289.77
Depreciation of Investment Property (Refer Note 3)	6.00	5.77
Amortisation of Intangible assets (Refer Note 4)	5.13	5.14
Depreciation of Right of use assets (Refer Note 5)	31.17	14.61
<b>TOTAL</b>	<b>401.57</b>	<b>315.30</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 29 : OTHER EXPENSES

(Amt in Rs. Lacs)

PARTICULARS	2023-24	2022-23
Consumption of Stores & Spares	411.99	459.74
Power and Fuel	124.50	96.18
Labour Charges	1,572.64	1,506.03
Inspection and Testing Charges	52.56	35.74
Other Manufacturing Expense	72.68	58.16
Rent, Rates and Taxes	221.36	225.01
Insurance	129.19	145.59
Repairs and Maintenance - Buildings	12.03	9.33
- Plant & Machineries	20.68	16.43
- Others	29.10	27.43
Travelling and Conveyance	144.95	123.37
Communication Costs	31.91	22.97
Computer Expense	34.97	27.27
Customer Support Service Expenditure	164.12	83.83
Legal and Professional Fees	101.21	103.66
Directors' Sitting Fees	25.50	22.20
Payment to Auditor (Refer note 29.1)	18.75	16.75
Expenditure on Corporate Social Responsibility (CSR) Activities (Refer Note 43)	53.58	46.00
Donations	2.20	2.69
Electricity Expense	9.76	9.21
Loss on disposal of property, plant and equipment (including assets scrapped off)	6.93	39.63
Debit/credit balances written off	253.73	40.84
Security expense	155.54	114.55
Freight and Forwarding Charges	432.46	363.77
Other Selling and Marketing Expenses	108.41	91.31
Other administrative expenses	80.91	78.07
<b>TOTAL</b>	<b>4,271.66</b>	<b>3,765.76</b>
<b>NOTE 29.1 : Payment to Auditors (Excluding GST)</b>		
Statutory Audit Fees	14.50	13.00
Tax Audit Fees	4.25	3.75
<b>TOTAL</b>	<b>18.75</b>	<b>16.75</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 30 : TAX EXPENSES

(Amt in Rs. Lacs)

PARTICULARS	2023-24	2022-23
<b>(a) Tax Expense recognised in the Statement of Profit &amp; Loss</b>		
<b>Current Tax</b>		
Current tax on taxable income for the year	882.00	790.00
Adjustments for the current tax of prior periods	24.71	6.24
<b>Total Current Tax Expenses</b>	<b>906.71</b>	<b>796.24</b>
<b>Deferred Tax</b>		
Deferred Tax Charge/(credit)	120.25	113.35
<b>Total Deferred Tax Expenses</b>	<b>120.25</b>	<b>113.35</b>
<b>Total Income Tax Expenses</b>	<b>1,026.97</b>	<b>909.59</b>
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate</b>		
<b>Profit Before Tax</b>	4,179.00	3,572.23
Tax at the Indian tax rate of 25.168%(previous year - 25.168%)	1,051.77	899.06
<b>Adjustment for:</b>		
Difference between Book and Tax depreciation	(75.03)	(102.35)
Donation & CSR Expenses	14.04	12.25
Income from fair valuation of mutual funds	(117.96)	(32.70)
Section 43B & 40A items	14.13	(28.39)
Effect of Income which is taxed at special rates	(5.28)	20.30
Tax effect on Non-deductible Expenses	1.86	10.44
Other items	(1.53)	11.39
<b>TOTAL</b>	<b>882.00</b>	<b>790.00</b>
Adjustment in respect of current income tax of previous year	24.71	6.24
<b>Total Current Tax Expenses</b>	<b>906.71</b>	<b>796.24</b>
Deferred tax expense reported in the statement of P&L	120.25	113.35
<b>Tax Expenses as per Statement of Profit &amp; Loss</b>	<b>1,026.97</b>	<b>909.59</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 31 : FINANCIAL INSTRUMENTS FAIR VALUE AND RISK MEASUREMENTS

#### A. Financial instruments by category and their fair value

(Amt in Rs. Lacs)

As at 31st March, 2024	Carrying amount				Fair value			Total
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
<b>Financial assets</b>								
Non current Investment	0.03	226.95	-	226.98	226.95	-	0.03	226.98
Current Investment	7,538.28	-	-	7,538.28	7,538.28	-	-	7,538.28
Non current loans	-	-	2.81	2.81	-	-	-	-
Current loans	-	-	8.17	8.17	-	-	-	-
Non current security deposits	-	-	141.91	141.91	-	-	-	-
Other Current Financial Assets	-	-	2.24	2.24	-	-	-	-
Currency Forward contracts	0.29	-	-	0.29	-	0.29	-	0.29
Trade receivables	-	-	3,318.05	3,318.05	-	-	-	-
Cash and cash equivalents	-	-	1,410.05	1,410.05	-	-	-	-
Bank balances other than above	-	-	21.03	21.03	-	-	-	-
<b>Total financial assets</b>	<b>7,538.60</b>	<b>226.95</b>	<b>4,904.25</b>	<b>12,669.80</b>	<b>7,765.23</b>	<b>0.29</b>	<b>0.03</b>	<b>7,765.55</b>
<b>Financial liabilities</b>								
Non current lease liabilities	-	-	-	-	-	-	-	-
Current lease liabilities	-	-	-	-	-	-	-	-
Non Current other Financial liabilities	-	-	2.68	2.68	-	-	2.68	2.68
Trade Payable	-	-	1,416.83	1,416.83	-	-	-	-
Other current financial liabilities	-	-	376.17	376.17	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,795.67</b>	<b>1,795.67</b>	<b>-</b>	<b>-</b>	<b>2.68</b>	<b>2.68</b>

As at 31st March, 2023	Carrying amount				Fair value			Total
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
<b>Financial assets</b>								
Non current Investment	20.19	128.51	-	148.71	148.68	-	0.03	148.71
Current Investment	4,177.23	-	-	4,177.23	4,177.23	-	-	4,177.23
Non current loans	-	-	3.71	3.71	-	-	-	-
Current loans	-	-	6.74	6.74	-	-	-	-
Non current security deposits	-	-	149.53	149.53	-	-	-	-
Other Current Financial Assets	-	-	1.54	1.54	-	-	-	-
Trade receivables	-	-	3,670.45	3,670.45	-	-	-	-
Cash and cash equivalents	-	-	783.77	783.77	-	-	-	-
Bank balances other than above	-	-	22.54	22.54	-	-	-	-
<b>Total financial assets</b>	<b>4,197.42</b>	<b>128.51</b>	<b>4,638.29</b>	<b>8,964.23</b>	<b>4,325.90</b>	<b>-</b>	<b>0.03</b>	<b>4,325.93</b>
<b>Financial liabilities</b>								
Non current lease liabilities	-	-	19.98	19.98	-	-	-	-
Current lease liabilities	-	-	43.04	43.04	-	-	-	-
Non Current other Financial liabilities	-	-	1.79	1.79	-	-	1.79	1.79
Trade Payable	-	-	1,848.27	1,848.27	-	-	-	-
Other current financial liabilities	-	-	344.83	344.83	-	-	1.11	1.11
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>2,257.91</b>	<b>2,257.91</b>	<b>-</b>	<b>-</b>	<b>2.90</b>	<b>2.90</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

**Types of inputs for determining fair value are as under:**

**Level 1:** This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

### B. Measurement of fair values

#### i) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3.

#### Financial instruments measured at fair value

Particulars	Fair value hierarchy	Valuation technique	Inputs used
<b>Financial assets measured at fair value through profit and loss</b>			
Foreign Exchange Forward Contracts	Level 2	Market valuation techniques	Derivative Instruments at values determined by counter parties/Banks using market observable data.
<b>Financial liabilities measured at fair value through profit and loss</b>			
Foreign Exchange Forward Contracts	Level 2	Market valuation techniques	Derivative Instruments at values determined by counter parties/Banks using market observable data.
<b>Financial assets measured at amortised cost</b>			
Security Deposits	Level 3	Discounted cash flow	Prevailing interest rates in the market, Future payouts, discounting cash flow

#### ii) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods.

#### iii) Transfer out of Level 3

There were no movement in level 3 in either directions during the financial year ending on 31 March, 2024 and 31 March, 2023.

### C. Financial risk management

The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of Directors ('Board') oversee the management of these financial risks. The Risk Management Policy of the Company formulated by the Board, states the Company's approach to address uncertainties in its endeavor to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Company's management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Company's financial performance.

The following disclosures summarize the Company's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### 1) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments.

#### a) 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. Since the Company has insignificant interest bearing borrowings, the exposure to risk of changes in market interest rates is minimal. The Company has not used any interest rate derivatives.

#### b) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company operates, in addition to domestic markets, significantly in international markets through its sales and services in overseas and purchases from overseas suppliers and is therefore exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, GBP, EURO and AUD. The Company does not enter into any derivative instruments for trading or speculative purposes.

The Company uses forward exchange contracts, to hedge the effects of movements in exchange rates on foreign currency denominated assets. The sources of foreign exchange risk are outstanding amounts payable for imported raw materials, capital goods and other supplies denominated in foreign currency. The Company is also exposed to foreign exchange risk on its exports. Most of these transactions are denominated in US dollars.

#### Derivative instruments and unhedged foreign currency exposure

#### (i) Foreign Exchange Forward Contracts outstanding as at the reporting date are as follows:

(Amt in Lacs)

	Foreign Currency Denomination	As at March 31, 2024		As at March 31, 2023	
		Foreign Currency	MTM Gain/ (Loss)	Foreign Currency	MTM Gain/ (Loss)
Foreign Exchange Forward Contracts to sell GBP	GBP	0.50	0.29	-	-

#### (ii) Particulars of unhedged foreign currency exposure as at the reporting date are as follows:

(Amt in Lacs)

Unhedged Exposures	Foreign Currency Denomination	As at March 31, 2024		As at March 31, 2023	
		Amount in Foreign Currency	Amount in Rs.	Amount in Foreign Currency	Amount in Rs.
Trade Receivable	USD	9.04	753.51	7.60	625.21
Trade Receivable	GBP	2.45	257.60	1.38	140.79
Trade Receivable	AUD	0.02	1.18	0.02	1.19
Trade Receivable	EURO	0.62	55.57	-	-
Trade Payable	USD	0.02	1.58	0.40	33.27
Balance in EEFC Bank Account	USD	0.0039	0.32	0.09	7.17
Balance in EEFC Bank Account	GBP	0.51	54.20	-	0.09

#### (iii) Foreign Currency Risk Sensitivity

The Company is mainly exposed to changes in USD, GBP and EURO. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD, GBP and EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

**A change in Foreign currency would have following Impact on profit before tax:** (Amt in Lacs)

	As at March 31, 2024		As at March 31, 2023	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	37.61	(37.61)	29.96	(29.96)
GBP	15.59	(15.59)	7.04	(7.04)
EURO	2.78	(2.78)	-	-

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### c) Other Price Risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments. The Company is mainly exposed to the price risk due to its investments in mutual funds recognised at FVTPL. As at 31st March, 2024, the carrying value of the investments in mutual funds amounts to Rs 7538.28 Lacs ( Rs.4197.39 Lacs as at 31st March, 2023 ). The details of such investments in mutual funds are given in Note 6. The price risk arises due to uncertainties about the future market values of these investments.

The Company is also exposed to price risk arising from investments in equity instruments recognised at FVTOCI. As at 31st March, 2024, the carrying value of such instruments recognised at FVTOCI amounts to Rs. 226.95 Lacs (Rs.128.51 Lacs as at 31st March, 2023). The details of such equity instruments are given in Note 6.

The Company has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments in mutual funds.

The Company is mainly exposed to change in market rates of its investments in mutual funds recognised at FVTPL. A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

If the prices had been higher/lower by 10% from the market prices existing as at 31st March, 2024, gain in the Statement of Profit and Loss for the year ended 31st March, 2024 would increase/decrease by Rs. 753.83 Lacs (2022-23 Rs. 419.7 Lacs) with a corresponding increase/decrease in Total Equity of the Company as at 31st March, 2024. 10% represents management's assessment of reasonably possible change in prices.

### 2) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. The Company considers Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, derivative financial instruments, other balances with banks, loans.

Credit risk arising from investment in mutual funds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the credit rating agencies.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loan or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no provision considered.

<b>Ageing of Trade receivables</b>		<b>(Amt in Rs. Lacs)</b>	
<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	
Not Due	1,994.05	2,808.42	
2-4 months	488.34	21.20	
4-6 months	192.44	169.47	
6 months to 12 months	304.49	308.28	
beyond 12 months and less than 5 years	327.61	339.92	
More than 5 Years	11.10	23.16	
<b>Total</b>	<b>3,318.05</b>	<b>3,670.45</b>	

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### 3) Liquidity Risk

Liquidity risk is the risk that the company will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of the company to manage liquidity is to ensure, as far as possible, that Company will have sufficient liquidity to meet their respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation. The company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments.

(Amt in Rs. Lacs)

As at 31st March, 2024	0-3 Months	3-12 Months	Between 1 to 5 Years	Beyond 5 years	Total
Trade payables	1,383.04	33.78	-	-	1,416.83
Other financial liabilities	0.81	375.36	2.68	-	378.85
<b>TOTAL</b>	<b>1,383.85</b>	<b>409.14</b>	<b>2.68</b>	<b>-</b>	<b>1,795.67</b>
As at 31st March, 2023					
Trade payables	1,833.42	14.85	-	-	1,848.27
Lease liabilities	10.36	32.67	19.98	-	63.02
Other financial liabilities	10.69	334.15	1.79	-	346.63
<b>TOTAL</b>	<b>1,854.47</b>	<b>381.67</b>	<b>21.77</b>	<b>-</b>	<b>2,257.91</b>

### NOTE 32 : CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at 31st March, 2024, the Company has only one class of equity shares and has no debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

### NOTE 33: DIVIDEND

(Amt in Rs. Lacs)

PARTICULARS	Year 2023-24	Year 2022-23
<b>Dividend on equity shares paid during the year</b>		
Final dividend for the FY 2021-22 Rs.12.10 (Previous year Rs. 11) per equity share of Rs.10 each	-	484.61
Final dividend for the FY 2022-23 Rs.14 (Previous year Rs. 12.10) per equity share of Rs.10 each	560.70	-
<b>TOTAL</b>	<b>560.70</b>	<b>484.61</b>

### Proposed Dividend:

The Board of Directors at its meeting held on 23 May, 2024 have recommended a payment of final dividend of Rs.16/- (Sixteen Rupees only) per equity share of face value of Rs. 10 each for the financial year ended 31st March, 2024. The same amounts to Rs. 640.80 Lacs.

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

### NOTE 34: CONTINGENT LIABILITIES

(Amt in Rs. Lacs)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<b>Contingent Liabilities</b>		
<b>Claims against the Company not acknowledged as debts:</b>		
Income Tax matter in dispute under appeal	18.78	29.42
Service tax matter in dispute under appeal	14.17	14.17
<b>TOTAL</b>	<b>32.95</b>	<b>43.59</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

**NOTE 35 : DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ARE PROVIDED AS UNDER FOR THE YEAR 2023-24, TO THE EXTENT THE COMPANY HAS RECEIVED INTIMATION FROM THE “SUPPLIERS” REGARDING THEIR STATUS UNDER THE ACT:**

(Amt in Rs. Lacs)

PARTICULARS		As at 31st March,2024	As at 31st March,2023
(i)	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)		
	Principal amount due to micro and small enterprise	142.26	248.37
	Interest due on above	-	-
(ii)	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iii)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v)	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Disclosure of payable to vendors as defined under the “Micro, Small and Medium Enterprise Development Act, 2006” is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

### NOTE 36 : EMPLOYEE BENEFITS

#### 1) Post- employment benefits :

The Company has the following post-employment benefit plans:

##### 1.1) Defined contribution plans

The Company has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs. 52.26 Lacs (PY:- Rs. 49.75 Lacs).

##### 1.2) Defined benefit gratuity plan

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

As per Actuarial Valuation as on 31st March, 2024 and 31st March, 2023 recognised in the financial statements in respect of Gratuity Benefits:

#### A. Amount recognised in the Balance Sheet

(Amt in Rs. Lacs)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<b>Gratuity:</b>		
Present value of plan liabilities	956.29	829.13
Fair value of plan assets	924.16	863.43
Deficit/(Surplus) of funded plans	32.14	(34.30)
Unfunded plans	-	-
<b>Net plan liability/ (Asset)</b>	<b>32.14</b>	<b>(34.30)</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### B. Movements in plan assets and plan liabilities

(Amt in Rs. Lacs)

GRATUITY	Year ended 31st March, 2024			Year ended 31st March, 2023		
	Plan Assets	Plan Liabilities	Net	Plan Assets	Plan Liabilities	Net
<b>As at 1st April</b>	863.43	829.13	(34.30)	733.68	749.91	16.23
Current service cost	-	45.89	45.89	-	42.26	42.26
Interest Income	58.06	-	(58.06)	44.62	-	(44.62)
Interest cost	-	53.85	53.85	-	44.29	44.29
Return on plan assets excluding amounts included in Interest Income	(1.62)	-	1.62	(13.11)	-	13.11
Actuarial loss/(gain) due to change in financial assumptions	-	8.89	8.89	-	(27.59)	(27.59)
Actuarial loss/(gain) due to change in demographic assumption	-	-	-	-	-	-
Actuarial loss/ (gain) due to experience adjustments	-	49.25	49.25	-	42.02	42.02
Employer Contribution	35.00	-	(35.00)	120.00	-	(120.00)
Benefits paid	(30.71)	(30.71)	-	(21.76)	(21.76)	-
<b>As at 31st March</b>	<b>924.16</b>	<b>956.29</b>	<b>32.14</b>	<b>863.43</b>	<b>829.13</b>	<b>(34.30)</b>

### C. Amount recognised in the Statement of Profit and Loss as Employee Benefit Expenses

(Amt in Rs. Lacs)

GRATUITY	As at 31st March, 2024	As at 31st March, 2023
Current service cost	45.89	42.26
Net interest cost	(4.21)	(0.33)
<b>Net (Gain)/Loss recognised in the Statement of Profit and Loss</b>	<b>41.68</b>	<b>41.93</b>
<b>Remeasurement of the net defined benefit liability:</b>		
Return on plan assets excluding amounts included in Interest Income	1.62	13.11
Actuarial (gains)/losses arising from changes in financial assumption	8.89	(27.59)
Actuarial (gains)/losses arising from changes in demographic assumption	-	-
Experience (gains)/losses arising on experience adjustments	49.25	42.02
<b>Net (Gain)/Loss recognised in the Other Comprehensive Income</b>	<b>59.75</b>	<b>27.54</b>

### D. Assets

(Amt in Rs. Lacs)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<b>GRATUITY:</b>		
Policy of Insurance	924.16	863.43
<b>TOTAL</b>	<b>924.16</b>	<b>863.43</b>

### E. Assumption

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<b>GRATUITY:</b>		
Discount Rate	7.15% p.a.	7.35% p.a.
Salary Growth Rate	4.00% p.a.	4.00% p.a.
Withdrawal Rate	7.00% p.a.at all ages	7.00% p.a.at all ages

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### F. Sensitivity

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

Increase / (Decrease) in defined benefit obligation	Year ended 31st March, 2024		Year ended 31st March, 2023	
	Define Benefit Obligation(DBO) Rs. In lacs	Change in DBO %	Define Benefit Obligation(DBO) Rs. In lacs	Change in DBO %
<b>GRATUITY:</b>				
<b>Discount Rate</b>				
Increase by 0.50%	934.41	(2.29%)	809.15	(2.41%)
Decrease by 0.50%	979.33	2.41%	850.19	2.54%
<b>Salary growth Rate</b>				
Increase by 0.50%	979.85	2.46%	850.73	2.61%
Decrease by 0.50%	933.74	(2.36%)	808.47	(2.49%)
<b>Withdrawal Rate</b>				
Increase by 10%	962.40	0.64%	835.11	0.72%
Decrease by 10%	949.73	(0.69%)	822.72	(0.77%)

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore in presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

### G Expected cash flows based on past service liability after year end 31st March, 2024 as follows: (Amt in Rs. Lacs)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<b>GRATUITY</b>		
2024	-	193.02
2025	250.08	85.84
2026	79.54	76.56
2027	106.14	89.31
2028	101.24	88.37
2029	224.70	-
Thereafter	307.42	423.95

### 2) Other Long term employee benefits :

#### 2.1) Defined Privilege Leave Benefit plan

Entitlements to annual leave, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of leave encashment as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Entitlements to annual leave, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits.

The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

As per Actuarial Valuation as on 31st March, 2024 and 31st March, 2023 recognised in the financial statements in respect of Privilege Leave Benefit:

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### A. Amount recognised in the Balance Sheet

(Amt in Rs. Lacs)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<b>Privilege Leave Benefit:</b>		
Present value of plan liabilities	162.58	143.82
Fair value of plan assets	210.77	265.24
Deficit/(Surplus) of funded plans	(48.19)	(121.42)
Unfunded plans	-	-
<b>Net plan liability/ (Asset)</b>	<b>(48.19)</b>	<b>(121.42)</b>

### B. Movements in plan assets and plan liabilities

(Amt in Rs. Lacs)

PRIVILEGE LEAVE BENEFIT	Year ended 31st March, 2024			Year ended 31st March, 2023			Net
	Net	Plan Assets	Plan Liabilities	Net	Plan Assets	Plan Liabilities	
<b>As at 1st April</b>	265.24	143.82	(121.42)	(121.42)	218.70	134.22	(84.48)
Current service cost	-	19.13	19.13	19.13	-	17.21	17.21
Interest Income	19.70	-	(19.70)	(19.70)	16.15	-	(16.15)
Interest cost	-	9.55	9.55	9.55	-	8.10	8.10
Return on plan assets excluding amounts included in Interest Income	(3.59)	-	3.59	3.59	(5.02)	-	5.02
Actuarial loss/(gain) due to change in financial assumptions	-	1.87	1.87	1.87	-	(5.76)	(5.76)
Actuarial loss/(gain) due to change in demographic assumption	-	-	-	-	-	-	-
Actuarial loss/ (gain) due to experience adjustments	-	3.88	3.88	3.88	-	0.65	0.65
Employer Contribution	(58.95)	(4.05)	54.90	54.90	46.00	-	(46.00)
Benefits paid	(11.64)	(11.64)	-	-	(10.59)	(10.59)	-
<b>As at 31st March</b>	<b>210.77</b>	<b>162.58</b>	<b>(48.19)</b>	<b>(48.19)</b>	<b>265.24</b>	<b>143.82</b>	<b>(121.42)</b>

### C. Amount recognised in the Statement of Profit and Loss as Employee Benefit Expenses

(Amt in Rs. Lacs)

PRIVILEGE LEAVE BENEFIT	As at 31st March, 2024	As at 31st March, 2023
Current service cost	19.13	17.21
Net interest cost	(10.15)	(8.06)
Net value of remeasurements on the obligation and plan assets	9.34	(0.09)
<b>Net (Gain)/Loss recognised in the Statement of Profit and Loss</b>	<b>18.33</b>	<b>9.06</b>

### D. Assets

(Amt in Rs. Lacs)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<b>PRIVILEGE LEAVE BENEFIT</b>		
Policy of Insurance	210.77	265.24
<b>TOTAL</b>	<b>210.77</b>	<b>265.24</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### E. Assumption

With the objective of presenting the plan assets and plan liabilities of the Privilege defined Leave benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<b>PRIVILEGE LEAVE BENEFIT</b>		
Discount Rate	7.15% p.a.	7.35% p.a.
Salary Growth Rate	4.00% p.a.	4.00% p.a.
Withdrawal Rate	7.00% p.a.at all ages	7.00% p.a.at all ages
Leave Availment Rate	0.00% p.a.	0.00% p.a.
Leave Encashment Rate	0.00% p.a.	0.00% p.a.

### F. Sensitivity

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

Increase / (Decrease) in defined benefit obligation	Year ended 31st March, 2024		Year ended 31st March, 2023	
	Define Benefit Obligation(DBO)	Change in DBO %	Define Benefit Obligation(DBO)	Change in DBO %
	Rs. In lacs		Rs. In lacs	
<b>PRIVILEGE LEAVE BENEFIT</b>				
<b>Discount Rate</b>				
Increase by 0.50%	157.98	(2.83%)	139.69	(2.87%)
Decrease by 0.50%	167.46	3.00%	148.21	3.05%
<b>Salary growth Rate</b>				
Increase by 0.50%	167.59	3.08%	148.34	3.14%
Decrease by 0.50%	157.83	(2.92%)	139.54	(2.98%)
<b>Withdrawal Rate</b>				
Increase by 10%	164.19	0.99%	145.36	1.07%
Decrease by 10%	160.84	(1.07%)	142.16	(1.15%)

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore in presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

### G. Expected cash flows based on past service liability after year end 31st March, 2024 as follows: (Amt in Rs. Lacs)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<b>PRIVILEGE LEAVE BENEFIT</b>		
2024	-	27.78
2025	35.22	15.26
2026	15.27	16.59
2027	18.56	15.78
2028	16.80	14.66
2029	18.68	-
Thereafter	64.78	63.19

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### 2.2) Sick Leave assumptions

The liability towards compensated absences (sick leave) for the year ended 31st March, 2024 based on actuarial valuation carried out by using Projected Unit credit Method resulted in increase in liability to Rs. 24.37 Lacs (Previous Year Rs. 22.14 Lacs)

#### a) Financial Assumption:

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Discount Rate (p.a.)	7.15%	7.35%
Salary growth rate (p.a.)	4.00%	4.00%

#### b) Demographic Assumption:

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Employee Turnover	7.00% at all ages	7.00% at all ages
Leave Availment Rate	6.00%	6.00%

### NOTE 37 : EARNINGS PER SHARE

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<b>Earnings Per Share has been computed as under:</b>		
Profit after tax as per Statement of Profit and Loss (Rs. In Lacs)	3,152.03	2,662.64
Weighted average number of equity shares outstanding	40,05,000	40,05,000
Basic and diluted earnings per share in rupees (Face Value Rs. 10 per share)	<b>78.70</b>	<b>66.48</b>

### NOTE 38: INFORMATION ON RELATED PARTY TRANSACTIONS AS REQUIRED BY IND AS- 24 - 'RELATED PARTY DISCLOSURES' FOR THE YEAR ENDED 31ST MARCH, 2024

#### (i) Name of the Related Party and Nature of Relationship

##### (a) Key Management Personnel

Mr. Percy X. Avari	Whole Time Director
Mrs. Shanaya Mody Khatua	Whole Time Director
Mr. Cyrus J. Bhagwagar	Chief Financial Officer
Mr. Nishith C. Kayasth	Company Secretary

##### b) Independent/ Non- Executive Director

Mr. Mohib N. Khericha	Independent/ Non-Executive Director
Mr. Saurin V. Palkhiwala	Independent/ Non-Executive Director
Mr. Nilesh C. Mankiwala	Independent/ Non-Executive Director
Mr. Samuel W. Croll III	Non-Executive Director
Mrs. Houtoxi F. Contractor	Non-Executive Director
Mrs. Sheila S. Mody	Non-Executive Director

##### c) Enterprises where close members of Key Management Personnel (KMP) are able to exercise significant influence

H.T. Engineering (Gujarat) Pvt. Ltd.	Enterprises
--------------------------------------	-------------

##### d) Close members of Key Management Personnel (KMP)

Mrs. Khushnum Percy Avari	Close Members of KMP
Mr. Xerxes D. Avari	Close Members of KMP
Mrs. Katty X Avari	Close Members of KMP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(ii) Transactions carried out with related parties referred in (i) above, in ordinary course of business:

(Amt in Rs. Lacs)

Nature of Transactions	Relationship	2023-24	2022-23
<b>(a) Sitting Fees for Board Meetings</b>			
Mrs. Sheila S. Mody	Non-Executive Director	6.35	4.70
Mr. Mohib N. Khericha	Independent/ Non-Executive Director	6.25	4.60
Mr. Nilesh C. Mankiwala	Independent/ Non-Executive Director	3.10	3.10
Mr. Saurin V. Palkhiwala	Independent/ Non-Executive Director	6.05	6.05
Mr. Samuel W. Croll III	Non-Executive Director	2.25	2.25
Mrs. Houtoxi F. Contractor	Non-Executive Director	1.50	1.50
<b>(b) Labour Charges</b>			
H.T. Engineering (Guj) Pvt. Ltd.	Enterprises	66.11	72.98
<b>(c) Purchase of Raw Materials/Consumables</b>			
H.T. Engineering (Guj) Pvt. Ltd.	Enterprises	457.38	430.75
<b>(d) Rent Paid</b>			
Mrs. Sheila S. Mody	Non-Executive Director	61.80	49.80
<b>(e) Commission on Profit</b>			
Mr. Percy X. Avari	Whole Time Director	89.61	85.75
Mrs. Shanaya Mody Khatua	Whole Time Director	89.61	85.75
<b>(f) Dividend Paid</b>			
Mr. Percy X. Avari	Whole Time Director	56.85	49.14
Mrs. Shanaya Mody Khatua	Whole Time Director	175.59	151.76
Mrs. Sheila S. Mody	Non-Executive Director	38.60	33.36
Mr. Cyrus J. Bhagwagar	Chief Financial Officer	0.14	0.12
Mrs. Houtoxi F. Contractor	Non-Executive Director	0.08	0.07
Mr. Xerxes D. Avari	Close Member of KMP	0.01	0.01
Mrs. Katty X Avari	Close Member of KMP	0.01	0.01
<b>(g) Remuneration Paid</b>			
Mr. Percy X. Avari	Whole Time Director	124.97	124.97
Mrs. Shanaya Mody Khatua	Whole Time Director	124.97	124.97
Mr. Cyrus J. Bhagwagar	Chief Financial Officer	64.64	60.91
Mr. Nishith C. Kayasth	Company Secretary	27.01	23.99

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(iii) Balances with related parties referred in (i) above, in ordinary course of business:

(Amt in Rs. Lacs)

Nature of Transactions	Relationship	As At 31st March, 2024	As At 31st March, 2023
<b>(a) Trade Payables</b>			
H.T Engineering(Guj) Pvt. Ltd.	Enterprises	87.70	82.81
<b>(b) Commission Payables</b>			
Mr. Percy X. Avari	Whole Time Director	89.61	85.75
Mrs. Shanaya Mody Khatua	Whole Time Director	89.61	85.75
<b>(c) Office Rent Deposit Given</b>			
Mrs. Sheila S. Mody	Non-Executive Director	50.00	50.00
<b>(d) Remuneration Payable</b>			
Mr. Cyrus J. Bhagwagar	Chief Financial Officer	1.66	0.96
Mr. Nishith C. Kayasth	Company Secretary	2.19	0.76

### Executive Directors Compensation

(Amt in Rs. Lacs)

PARTICULARS	2023-24	2022-23
Short-term employee benefits	428.72	421.00
Post-employment benefits	0.43	0.43
<b>Total Compensation *</b>	<b>429.15</b>	<b>421.43</b>

\* This aforesaid amount does not includes amount in respect of gratuity as the same is not determinable.

### NOTE 39 : SEGMENT REPORTING

#### A) Description of Segment and Principal activities:

The Company's Board of Directors monitors the operating results of the below business segments separately for the purpose of making decisions about resource allocation and performance assessment and has identified two reportable segments of its business:

Sr. No.	Reportable Segment	Products/Services
1	Engineering Products	Manufacturing of Engineering goods like Vacuum Products, Evaporators, Pollution Control Equipments etc
2	Food Products	Manufacturing of Food Products like Food colour, various Fruit Jams & Fruit Mix Powders etc.

#### B) Segment Revenue and Expenses:

Revenue and Expenses have been identified to a segment on the basis of operating activities of the segment. Revenue and Expenses which relate to common activities and are not allocable to segment on reasonable basis have been disclosed as "Unallocable".

#### C) Segment Assets and Liabilities:

Segment assets & liabilities include those directly identifiable with their respective segments. Unallocable assets & liabilities represent the assets and liabilities that relate to the company as a whole and not allocable to any segment .

#### D) Information about geographical areas:

The Company has identified its geographical segments as India and Outside India.

#### E) Information about major customers:

Revenue contributed by any single customer does not exceed ten percent of the Company's total revenue, for the year ended 31 March 2024 and 31 March 2023.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### F) Summary of Segment Information :

(Amt in Rs. Lacs)

PARTICULARS	Year ended 31st March, 2024			Year ended 31st March, 2023		
	Engineering Products	Food Products	Total	Engineering Products	Food Products	Total
<b>Segment Revenues</b>						
External Revenue	19,532.56	3,010.39	22,542.95	16,488.74	2,663.14	19,151.88
Inter Segment Revenue	-	-	-	-	-	-
<b>Total Segment Revenue</b>	<b>19,532.56</b>	<b>3,010.39</b>	<b>22,542.95</b>	<b>16,488.74</b>	<b>2,663.14</b>	<b>19,151.88</b>
<b>Segment Result</b>	<b>4,822.87</b>	<b>171.72</b>	<b>4,994.59</b>	<b>4,664.06</b>	<b>371.26</b>	<b>5,035.31</b>
<b>Specified Amounts Included In Segment Results</b>						
Identifiable Operating Expenses	(14,742.63)	(2,870.23)	(17,612.85)	(11,864.13)	(2,311.17)	(14,175.30)
Segment Operating Income	32.94	31.56	64.50	39.44	19.29	58.73
<b>Segment Result</b>	<b>4,822.87</b>	<b>171.72</b>	<b>4,994.59</b>	<b>4,664.06</b>	<b>371.26</b>	<b>5,035.31</b>
Unallocable Expenses			(1,409.22)			(1,638.28)
Unallocable Income			593.62			175.19
Income Taxes			(1,026.97)			(909.59)
<b>Profit After Tax As Per Statement of Profit And Loss</b>			<b>3,152.03</b>			<b>2,662.64</b>
<b>Segment Assets and Liabilities*</b>						
Segment Assets	7,167.08	6,062.24	13,229.32			
Unallocable Assets			10,820.35			
<b>Total Assets</b>			<b>24,049.67</b>			
Segment Liabilities	1,435.46	511.68	1,947.14			
Unallocable Liabilities			878.50			
<b>Total Liabilities</b>			<b>2,825.63</b>			

### Other Segment Information

(Amt in Rs. Lacs)

PARTICULARS	Year ended 31st March, 2024			
	Engineering Products	Food Products	Unallocable	Total
Interest Income	1.27	0.78	-	2.06
Interest Expense	0.01	-	1.74	1.75
Depreciation /Amortization expense**	108.29	212.29	80.99	401.57
Addition to PPE, ROU & Intangible Asset (Net of Disposal)	46.33	112.22	(23.09)	135.46
<b>TOTAL</b>	<b>155.90</b>	<b>325.29</b>	<b>59.64</b>	<b>540.84</b>

### Geographical Segment Information:

(Amt in Rs. Lacs)

PARTICULARS	Revenue From External Customers		Non Current Assets***
	Year 2023-24	Year 2022-23	Year 2023-24
	Within India	17,372.08	14,858.04
Outside India	5,170.87	4,293.84	-
<b>TOTAL</b>	<b>22,542.95</b>	<b>19,151.88</b>	<b>7,464.91</b>

### Note -

\*Fixed Assets used in the company's business were not identifiable to any of the reportable segment, as allocation of assets and liabilities to segments was not possible till 31/03/2023. Hence, previous year Segment Asset & Liabilities figures are not provided for.

\*\*Depreciation/Amortization expense were not allocated to any segment till 31/03/2023. From current year, Depreciation/Amortisation pertaining to respective segments are allocated & those used for common purpose i.e. Head office, Investment property, etc are treated as unallocable.

\*\*\*Non Current Assets for this purpose excludes non current investments, non current financial assets & income tax assets (net).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 40: LEASES

#### A. Where the company is Lessee

The Company's leasing arrangements are in respect of operating leases for premises (Office, factory etc.). These lease arrangements range for a period of 11-14 months. Most of the lease agreements are renewable for further period on mutually agreeable terms.

#### (i) Movement in Lease Liabilities during the year:

(Amt in Rs. Lacs)

PARTICULARS	
<b>Balance as at 1st April, 2022</b>	<b>27.66</b>
Lease Liabilities recognised on account of renewal/modification of lease agreement	49.47
Finance Costs incurred during the year	3.39
Payments of Lease Liabilities	(17.50)
<b>Balance as at 31st March, 2023</b>	<b>63.02</b>
Finance Costs incurred during the year	1.72
Payments of Lease Liabilities	(33.00)
Lease Liabilities derecognised on account of renewal/modification of lease agreement	(31.74)
<b>Balance as at 31st March, 2024</b>	<b>-</b>

#### (ii) Lease Liabilities as at March 31, 2024

(Amt in Rs. Lacs)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Non- Current Lease Liabilities	-	19.98
Current Lease Liabilities	-	43.04
<b>Total Lease Liability</b>	<b>-</b>	<b>63.02</b>

#### (iii) Amount recognised in Statement of Profit & loss Account during the year:

(Amt in Rs. Lacs)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Finance Cost	1.72	3.39
Depreciation of Right of use Assets	31.17	14.61
Expenses relating to Short-term Leases and low value assets	190.20	188.15
<b>Total Expenses</b>	<b>223.09</b>	<b>206.15</b>

#### (iv) Total cash outflow ( including cash outflow of short-term/low value leases) during the year for leases amounts to Rs. 223.20 Lacs (previous year Rs. 205.65 Lacs) .

#### B. Where the company is Lessor

The Company has entered into operating leases on its investment properties consisting of buildings .These leases have term of 3 - 5 years.

Annual lease rentals receivable are as follows:-

(Amt in Rs. Lacs)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
Within one year	11.33	11.15
1-2 Years	11.89	10.68
2-3 Years	12.49	7.97
3-4 Years	12.35	8.37
4-5 Years	0.55	8.02

The Company has not entered into any sub-leases during the year.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 41: FINANCIAL RATIOS

Ratios	Numerator	Denominator	2023-24	2022-23	% Variance	Explanation for significant change
(a) Current Ratio	Current Assets	Current Liabilities	6.82	4.25	60.46%	Increase is primarily due to effective working capital management
(b) Debt-Equity Ratio	Total Debt i.e Borrowings (Current as well as Non Current)	Shareholders Equity	-	-	0.00%	
(c) Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest (excluding interest on lease liabilities) + Other non-cash adjustments	Debt service = Interest(excluding interest on lease liabilities) + Lease Payments + Repayments of borrowings	107.90	172.43	-37.43%	Reduction is due to increase in total Lease Payments
(d) Return on Equity (ROE) ratio	Profit after Tax	Average Shareholder's Equity	15.83%	15.22%	4.05%	
(e) Inventory Turnover Ratio	Revenue from operations	Average Inventory	5.08	4.38	16.02%	
(f) Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	6.45	4.89	31.86%	Increase is primarily due to higher sales volumes alongwith reduction in average trade receivables
(g) Trade Payables Turnover Ratio	Net Purchases of raw material and Stores & Spares	Average Trade Payables	6.34	6.80	-6.83%	
(h) Net Capital Turnover Ratio	Revenue from Operations	Working Capital i.e. Current Assets - Current Liabilities	1.64	1.73	-5.24%	
(i) Net Profit Ratio	Profit after Tax	Revenue from Operations	13.98%	13.90%	0.57%	
(j) Return on Capital Employed	Profit before interest and tax	Capital employed = Total Equity + Total Debt + Deferred tax liabilities	19.29%	18.89%	2.13%	
(k) Return on Investment	Gain on Sale of Investment+ Gain on fair value of Investment	Average cost of Investment	9.88%	4.46%	121.44%	Increase is primarily due to higher returns generated by Mutual funds where the company parks its surplus funds.

### NOTE 42 : ADDITIONAL REGULATORY INFORMATION

#### i) TITLE DEEDS

The title deeds of all the Immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

#### ii) REVALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The Company has not undertaken any revaluation of Property, Plant & Equipments / Intangible assets during the year.

#### iii) DETAILS OF BENAMI PROPERTY

The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### iv) BORROWINGS OBTAINED ON THE BASIS OF SECURITY OF CURRENT ASSETS

Quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

### v) WILFUL DEFAULTER

The Company is not declared wilful defaulter by any bank or financial institutions or lender.

### vi) RELATIONSHIP WITH STRUCK OFF COMPANIES

The company does not have any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, during the current year and in the previous year.

### vii) REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

### viii) UTILISATION OF BORROWED FUNDS/ADVANCES

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) 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
- (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

### ix) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

### x) UNDISCLOSED INCOME

The Company does not have 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).

### xi) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

#### NOTE 43: CORPORATE SOCIAL RESPONSIBILITY

##### A. Gross amount required to be spent by the Company during the year 2023-24:

Rs. 53.40 Lacs ( Year 2022-23: Rs. 44.69 Lacs)

##### B. Amount spent during the year on:

(Amt in Rs. Lacs)

	PARTICULARS	Amount of Expenditure incurred	
		Year 2023-24	Year 2022-23
i)	Construction/Acquisition of any asset	-	-
ii)	For purposes other than (i) above	53.58	46.00
		<b>53.58</b>	<b>46.00</b>
C.	Related party transactions in relation to Corporate Social Responsibility:	Nil	Nil



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(Amt in Rs. Lacs)

D. PARTICULARS	Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
Details of excess amount spent	-	53.40	53.58	-

- E. (i) The Company does not carry any provisions for Corporate social responsibility expenses for current year and previous year.  
(ii) The Company does not wish to carry forward any excess amount spent during the year.  
(iii) The Company does not have any ongoing projects as at 31st March, 2024.

As per our report of even date attached

For MAYANK SHAH & ASSOCIATES  
Chartered Accountants  
(Firm Registration No. 106109W)

M.S.SHAH  
PARTNER  
Membership No. 044093

Place: Ahmedabad  
Date : 23 May, 2024

For and on behalf of the Board of Directors of Mazda Limited

Sd/-

Percy Avari  
Whole-Time Director  
(DIN: 00499114)

Sd/-

Cyrus Bhagwagar  
Chief Financial Officer

Sd/-

Mohib Khericha  
Chairman  
(DIN: 00010365)

Sd/-

Nishith Kayasth  
Company Secretary





To,

*If undelivered, please return to:*

**MAZDA LIMITED**

**Mazda House, 650/1, Panchwati 2<sup>nd</sup> Lane, Ambawadi, Ahmedabad - 380 006.**