30th ANNUAL REPORT

2019-2020

MAZDA LIMITED

CONTENTS	PAGE NO.
Notice	1-7
Directors' Report	8-25
Report on Corporate Governance	26-40
Independent Auditors' Report	41-46
Balance Sheet	47-47
Statement of Profit & Loss	48-48
Cash Flow Statement	50-51
Notes forming part of Financial Statement	52-97

BOARD OF DIRECTORS:

SORAB R. MODY, Managing Director

SAMUEL W. CROLL- III

MOHIB N. KHERICHA, Chairman

SHEILA S. MODY

HOUTOXI F. CONTRACTOR

PERCY X. AVARI, Whole-Time Director

SHANAYA MODY KHATUA, Whole-Time Director

NILESH C. MANKIWALA

SAURIN V. PALKHIWALA

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

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 30th Annual General Meeting ("AGM") of members of Mazda Limited ("the company") will be held on **Friday, 25th September, 2020 at 11.00 a.m.** 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 31st March, 2020 including the Audited Balance Sheet as at 31st March, 2020, the statement of Profit and Loss for the year ended on that date and the reports of the Directors and Auditors thereon.

2. To confirm the payment of Interim Dividend of ₹ 7.50 per equity share and to declare Final Dividend of ₹ 2.50 per equity share of the company for the financial year ended on 31st March, 2020.

3. To appoint a director in place of Mr. Sorab Mody (DIN: 00498958), who retires by rotation and being eligible offers himself for re-appointment.

4. To appoint a director in place of Mrs. Sheila Mody (DIN: 00496561), 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 2020-21

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

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactment thereof, for time being in force) and on the recommendation of the Audit Committee and approval by the Board of Directors of the company, V. H. Shah & Co., Cost Accountant (Firm registration no.: 100257)appointed by the Board of Directors of the company, to conduct the audit of the cost records of the company for the financial year ending on 31st March, 2021, be paid the remuneration as set out in the statement annexed to this Notice convening this meeting."

"RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorised to do all such acts and take such actions as may be necessary, expedient and proper to give effect to this resolution.

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

By Order of the Board,

Date: 29/06/2020
Place: Ahmedabad

Nishith Kayasth
Company Secretary

NOTES:

1. In view of the massive outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs has allowed companies to conducting of Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OVAM), and dispended the physical presence of the members at the meeting. In view of the current situation, Ministry of Corporate Affairs had issued vide its Circular No. 14/2020 dated 8th April, 2020, Circular 17/2020 dated 13th April, 2020 and Circular No. 20/2020 dated 5th May, 2020 (collectively referred to as "MCA Circulars") prescribing procedure of and manner of conducting Annual General Meeting through VC/OAVM. In compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA Circulars, the 30th AGM of the company will be held through VC / OAVM. The detailed procedure for participation in the meeting through VC / OAVM is as per note no. 26 and also available at the company's website www.mazdalimited.com.
2. The Information regarding appointment/re-appointment of the Directors and Explanatory Statement of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the special business under Item No. 5 of the Notice, is annexed hereto.
3. Pursuant to the Circular No. 14/2020 dated 08th April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporate intending to authorised their representatives to participate and vote at the AGM through VC/OAVM are requsted to send a duly certified copy of the Board Resolition authorising their representatives to attend and vote on their behalf at the AGM.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of AGM along with Annual Report 2019-20 is being sent only through electronic mode to all members of the company whose email addresses are registered with the company/ Depositories. Members may note that Notice and Annual Report 2019-20 has been uploaded on the website of the company at www.mazdalimited.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.

6. The Register of Members and the Share Transfer Books of the company will remain close from 18th September, 2020 to 25th September, 2020 (both days inclusive) to determine entitlement of dividend on equity shares, if declared at the Meeting. Dividend will be paid to those shareholders, whose name appears on the Register of Members of the company as at the end of the business hours on the record date i.e. 17th September, 2020.

7. The dividend, if declared will be paid on or after 06th October, 2020.

8. The Ministry of Corporate Affairs has notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed / claimed by the shareholders for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Accordingly, the unclaimed dividend in respect of financial year 2012-13 (Final) is due for transfer in October, 2020. The members, who have not encashed the above referred unclaimed / unpaid dividend, may please approach the Company and/or Registrar and Transfer Agent for payment of such unpaid dividend. 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 / claims their respective dividend during the prescribed period. The details of the unpaid / unclaimed amounts lying with the company are available on the website of the company i.e. www.mazdalimited.com. 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.

9. Shareholders seeking any information with regard to accounts or any queries or questions are requested to write to the company at nishith@mazdalimited.com at least 7 days before the meeting so as to enable the management to keep the information ready.

10. As per SEBI Circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013, listed companies are required 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 and members holding shares in dematerialized form are requested to intimate any change in their address or to change / update bank mandate with their Depository Participants (DP) to enable the company or RTA for making arrangements for electronic credit of dividend and other cash benefits to members.

11. Members may note that the Income Tax Act, 1961 as amended by the Finance Act, 2020, mandates that dividends distributed by a company after 01st April, 2020 shall be taxable in the hands of members. The company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of dividend. 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.

12. SEBI vide its circular dated June 8, 2018 amended Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to which requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form. Members holding the shares in physical form are requested to dematerialize their holdings as the physical transfer of shares will not be permissible.

13. Members holding shares in physical form are requested to notify immediately the change in their registered address, bank details etc., if any to RTA, Link Intime India Private Limited.

14. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection on request by sending an e-mail.

15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the company/RTA.

16. The equity shares of the company are available for dematerialisation, as the company has entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Those shareholders who wish to hold shares in electronic form may approach their Depository Participant. The ISIN No. of the Equity Shares is INE885E01034.

17. The members holding shares 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. 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.

18. 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 SH-14 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.

19. 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, 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.

20. Non-Resident Indian 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.

21. To support the 'green initiative' members who have not registered their e-mail addresses so far are requested to register their e-mail address with RTA /Depositories for receiving all communication including annual report, notices, circulars, etc. from the company electronically. The link for registration of E-mail IDs with the company / RTA is: https://linkintime.co.in/EmailReg/Email_Register.html.

22. Trading in the shares of the company is compulsorily in dematerialized form for all investors. 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.

23. PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS:

    i. 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. 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 AGM will be provided by CDSL.

    ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. Friday, 18th September, 2020, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the cut-off date, shall treat this Notice as intimation only.

    iii. The Members can join the AGM through the VC / OAVM mode 15 minutes before the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This limit 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 AGM without restriction on account of first come first served basis.

    iv. A person who has acquired the shares and has become a member of the company after the dispatch of the Notice of the AGM and prior to the cut-off date i.e. Friday, 18th September, 2020, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.

    v. The remote e-voting will commence on Tuesday, 22nd September, 2020 at 9.00 a.m. and will end on Thursday, 24th September, 2020 at 5.00 p.m. During this period, the members of the company holding shares either in physical mode or in demat mode as on the cut-off date i.e. Friday, 18th September, 2020 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.

vi. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

vii. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the company as on the cut-off date i.e. Friday, 18th September, 2020.

viii. The company has appointed Mr. Rutul Shukla, Practicing Company Secretary to act as scrutinizer, for conducting the scrutiny of the votes cast. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given below.

24. INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING:

(i) **The voting period begins on Tuesday, 22nd September, 2020 at 9.00 a.m. and will end on Thursday, 24th September, 2020 at 5.00 p.m.** During this period shareholders' of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, 18th September, 2020 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) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on "Shareholders" module.

(v) 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.

OR

Alternatively, if you are registered for CDSLs EASI/EASIEST e-services, you can log-in at https:// www.cdslindia.com from Login – Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip / communicated by mail indicated in the PAN field.
Dividend Bank Details **OR** 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. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

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

(x) Members 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.

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

(xii) Click on the EVSN of Mazda Limited.

(xiii) 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.

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

(xv) 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.

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

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

(xviii) 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.

(xix) Members can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

25. Process for those members whose email addresses are not registered with the depositories:

i. 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.

ii. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to nishith@mazdalimited.com.

26. INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

i) Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Mazda Limited will be displayed.

ii) Members are encouraged to join the AGM through Laptops / IPads for better experience.

iii) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

iv) 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.

v) Members 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 seven days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at nishith@mazdalimited.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance seven days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at nishith@mazdalimited.com. These queries will be replied to you by the company suitably by email.

vi) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.

27. INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for Remote e-voting.

2. Only those members, 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.

3. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the AGM is available only to the members attending the AGM.

4. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

5. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

28. Note for Non – Individual Shareholders and Custodians

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

b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

c) 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.

d) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

e) 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.

f) Alternatively Non Individual shareholders are required 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, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

In case of any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, 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 or call on 022-23058542/43.

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

By Order of the Board,

Nishith Kayasth
Company Secretary

Date: 29/06/2020
Place: Ahmedabad

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 2020-21

The Board, on the recommendation of the Audit Committee, has approved the appointment and recommended remuneration of V. H. Shah & Co., Cost Accountants, to conduct the audit of the cost records of the company for the financial year ending on 31st March, 2021.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 1.25 Lacs 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.

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

By Order of the Board,

Nishith Kayasth
Company Secretary

Date: 29/06/2020
Place: Ahmedabad

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	**Sorab Mody**	**Sheila Mody**
Directors Identification Number (DIN)	00498958	00496561
Nationality	Indian	Indian
Date of Birth and Age	08/10/1945 74 years	19/02/1947 73 years
Qualification	B.com	B.Sc.
Experience and Expertise	He is a promoter and Managing Director of the company. He has vast experience of engineering industry. His vision and guidance to our company has made this company to grow immensely. He has an overall experience of 41 years in the engineering industry. During his tenure as a mentor of the company has developed new products and with his vision of growth company has achieved a turnover of ₹ 100 Crores. He was previously working with J. N. Marshall Ltd. as a Branch Manager.	She is on the Board since 1992. Her experience and knowledge in the field of Engineering has immensely helped the company.
Date of first Appointment on the Board of the Company	03/09/1990	20/09/1991
Shareholding in the Company	13,21,270	75,700
List of Directorship held in other companies	Please refer Report on Corporate Governance	
Membership / Chairmanship in Committees of other companies as on date	Please refer Report on Corporate Governance	
Relationships between Directors inter-se	Relative of Sheila Mody and Shanaya Mody Khatua	Relative of Sorab Mody and Shanaya Mody Khatua

DIRECTORS' REPORT

To,
THE MEMBERS,
MAZDA LIMITED

The Directors have the pleasure of presenting the 30th Annual Report of your Company together with the Audited Financial Statement for the year ended 31st March, 2020.

1. FINANCIAL PERFORMANCE

(₹ In Lacs)

Sr. No.	Particulars	2019-20	2018-19
i.	**Total revenue**	**18139.91**	**14211.14**
ii.	**(Less):** Total expenditure	15457.31	11987.98
iii.	**Profit before depreciation, finance cost & tax**	**2682.60**	**2223.16**
iv.	**(Less):** Finance cost	94.37	75.58
v.	**(Less):** Tax Expenses	578.04	443.63
vi.	**Cash Profit**	**2010.19**	**1703.95**
vii.	**(Less):** Depreciation	345.67	294.21
viii.	**Profit for the year**	**1664.52**	**1409.74**
ix.	**Items of Other Comprehensive Income (OCI) for the year**	**(14.06)**	**(11.64)**
x.	**Total Comprehensive Income for the Year**	**1650.46**	**1398.10**
xi.	**Surplus brought forward**	**13009.59**	**12045.80**
xii.	**Profit available for appropriation**	**14660.04**	**13443.90**
xiii.	Dividend on equity shares	660.83	344.90
xiv.	Tax on distributed profits	135.84	70.89
xv.	Buyback expenses	14.35	18.52
xvi.	Buyback of Equity Shares	1066.90	0.00
xvii.	**Surplus carried forward**	**12782.12**	**13009.59**

Note: The previous year figures have been regrouped whenever necessary.

2. DIVIDEND

During the year, the company had paid an Interim Dividend of ₹ 7.50 (i.e. 75%) per equity share of the face value of ₹ 10 each in the month of February, 2020.

The Board of Directors have recommended final dividend of ₹ 2.50 (i.e. 25%) per equity share of the face value of ₹ 10 each as final dividend amounting to ₹ 100.13 Lacs for the financial year 2019-20, subject to the approval of the shareholders at the ensuing Annual General Meeting.

The total dividend (Interim and Final Dividend) for the financial year 2019-20 will be ₹ 10 (i.e. 100%) per equity share of the face value of ₹ 10 each as against the total dividend of ₹ 9.00 (i.e. 90%) per equity share of the face value of ₹ 10 each paid for the previous financial year 2018-19.

3. OPERATIONS

The Total Income for F.Y. 2019-20 stood at ₹ 18139.91 Lacs, has been higher by 27.65% over the last year ₹ 14211.14 Lacs in F.Y. 2018-19. The profit after tax for the year was ₹ 1664.52 Lacs, registering a growth of 18% over the profit of ₹ 1409.74 lakhs in FY 2018-19.

4. FINANCE AND ACCOUNTS

There are no term loans or interest 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 ₹ 22.38 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 has been invested in debt market instruments like fixed maturity plans, liquid funds and bond funds. The market value of the investment as at 31st March, 2020 was ₹ 27.90 Crores as against ₹ 43.47 Crores as at 31st March, 2019. The funds were utilized for the working capital requirements and buyback of equity shares of the Company during the year under review.

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 31st March, 2020 has been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 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 AND TECHNOLOGY DEVELOPMENTS

Exports for the year were at ₹ 35.70 Crores as compared to ₹ 40.57 Crores for the previous year showing decrease by 12%.

The export business will remain sluggish as global economy is still not showing any improvement.

6. IMPACT OF COVID PANDEMIC

In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. Consequent to this, Government of India has declared a national lockdown on March 24, 2020.

Due to lockdown across the nation, your company was also under the lock down conditions from the last week of March, 2020. During this difficult times, your company had facilitated the employees as far as possible to work from home. Your company has ensured regular communication with all stakeholders viz., Customers, Key Suppliers, Employees, Banks and Investors.

With the approval of Government Authorities, your company had re-started partial operations from April, 2020 after taking all precautionary measures to comply with COVID-19 Guidelines relating to safety, health, hygiene, reduced manpower, social distancing and other precautionary measures. Your company had resumed its' operations on regular basis from 01st June, 2020 onwards.

Since, COVID-19 situation evolves in India and globally, your company is closely monitoring the evolving situation arising out of COVID-19. It is difficult to estimate the pivotal impact of COVID-19 on the operations and financial resources of the company at this point of time.

7. PUBLIC DEPOSITS

Your Company has not accepted any Deposits falling under the meaning as per the provisions of Section 73 of the Companies Act, 2013 read with the Rules framed there under during the financial year 2019-20.

8. INSURANCE

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

9. MANAGEMENT DISCUSSION AND ANALYSIS

(a) Industry Structure and Developments:

MAZDA LIMITED, being one of the pioneers in the engineering industry continues to work towards bringing innovative product offerings to the customer at competitive prices. The company's drive towards excellence continued unabated. Capital goods being a derived demand sector, our company's growth depends on the investments in core sectors of the economy.

The Engineering industry is also expected to be impacted by the Covid-19 pandemic, which will experience downward pressures in the short term with 2%-5% decline across the industry. The impact across the various industries will vary with some industries impacted severely in the short term to some which will see minimal impact.

Engineering Business:

During the year under review, there was a strong order booking in the engineering business which registered a good growth in terms of turnover and profitability. Due to robust demand in Agro Chemical, Chemical and Pesticides Industry, the evaporator business for treatment of effluents saw a good growth. Good demand from the Power Industry helped to boost the overall vacuum business.

In export business for Vacuum system, company has expanded its global presence.

Food Business:

For the year under review we experienced a slowing in consumer purchase momentum globally which affected our year end targets. This was felt in several industries and FMCG was one of them. Our new facility continues to be under construction and we are confident that the move to larger premises with more efficient machinery will enable us to increase our global footprint with our product offering. Towards the end of the year we will be focusing on transition from one premises to the other with the least disruption to our current customers.

Our order book continues to be robust with new clients and new markets being added. New products will be added to our product offering only once we have moved to larger premises. We have entered a few domestic partnerships towards the end of this year, which have already shown a lot of promise and continue to do so as our supply increases.

(b) Segment-wise Performance:

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

During the year under review, the turnover of engineering business has increased by 39% and profits of the engineering business has increased by 23% compared to the previous financial year.

The food business has faced decline in growth this year which is reflected by a decrease in turnover by 25% and decrease in profits by 26% compared to the previous financial year.

(c) Outlook:

The financial year 2019-20 began with apprehensions of a slowdown, mainly over the US-China trade war and concerns over Brexit, and ended with an almost catastrophic blow to the world economy because of the novel corona virus (Covid – 19) pandemic. The combination of these factors made 2019 the year of slowest growth since the financial crisis of 2008.The growth of GDP shows a decline in 2019-20 by registering a growth of 4.2% over 6.1% compared to previous year.

In the previous year your company had developed environment friendly Chill Water Base Vacuum System for the edible oil refineries. The response from the market in the current year was very positive and we saw a good growth in this product line which is likely to continue.

In the coming year the company sees good prospects for the existing product lines but overall business may be impacted due to Covid Pandemic.

(d) Threat and concerns:

The company foresees a couple of challenging years ahead. Low growth in core sector industries has curtailed fresh investments in capacity building. Additionally, substantial Non Performing Assets (NPAs) in the banking and Non-Banking Financial Company (NBFC) sectors are affecting liquidity in the market. Stretched balance sheets of several conglomerates are further dampening private capacity enhancement. Moreover, the outbreak of the pandemic has resulted in industries shifting from expansion to survival mode; thus, fresh capex investments are unlikely in the short term which will reduce order flow in the near future for our company.

With the ZLD norms getting stricter, there are opportunities for effluent treatment and multiple effect evaporator systems. Water recycling will be another key focus area for all industries, and the company considers it to be a significant driver for its Water and Waste Solutions.

(e) Internal control systems and risk management:

Your company and the management have established a robust internal controls framework. We have in place adequate systems of internal control commensurate with the nature of our operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance with corporate policies. We also have a well-defined manual for delegation of authority for approving revenue and expenditure.

Your company has appointed internal auditors for the financial year 2019-20. They had carried out the internal audit based on an internal audit plan, which is reviewed each year in consultation with the Audit Committee. The internal audit process is designed to review the adequacy of internal control checks and covers all significant areas of the company's global operations.

The Audit Committee reviews the audit reports submitted by the internal auditors. Suggestions for improvement are considered and the audit committee follows up on the implementation of corrective actions. The committee also meets the organization's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems in the organization and keeps the board of directors informed of its key observations from time to time.

The statutory auditors also independently audited the internal financial controls over financial reporting as on March 31, 2020 and have opined that adequate internal controls over financial reporting are existing and that such controls were operating effectively.

The risk evaluation is performed as and when requires.

(f) Health, Safety & Environment:

During the year, numerous initiatives were undertaken in your Company's plants and offices in the areas of Environment, Occupational Health and Safety (EHS).

We are compliant with all EHS Regulations stipulated under the Water (Prevention and Control of Pollution) Act, The Air (Prevention and Control of Pollution) Act, The Environment Protection Act and the Factories Act and the Rules made thereunder. Regular safety trainings are conducted for employees, contractors, vendors and suppliers.

Your company's manufacturing facility at all four units and corporate office are ISO 9001:2015 & 14001:2015, and OHSAS 18001:2007 certified.

(g) Human Resources and Industrial Relations:

Your company considers its people to be its biggest asset and credits its sustained improvements to their ethics, dedication and energy. It is its endeavor to offer a work environment and HR processes that promote creativity, teamwork, meritocracy, learning and leadership.

The company continues to maintain a strong relationship with its employees, in order to improve their efficiency level at the workplace. It also confirms its commitment towards the development of HR policies, which will help the company to full fill its business needs.

The Human Resources function has been enabling business transformation by striking a balance between business needs and individual aspirations. The company has a dedicated human capital of over 219 employees spread across locations in the organization.

Your company enjoys harmonious industrial relations due to its vibrant work culture and believes in a collaborative approach to working. Your company believes employee relation creates a win-win situation for both employees and the organisation. This caring spirit has gone a long way in maintaining a harmonious environment across all units.

10. EMPLOYEE STOCK OPTION

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

11. SUBSIDIARIES AND JOINT VENTURES

There are no subsidiaries or joint ventures of your company.

12. DIRECTORS

Pursuant to the provisions of Section 149 of the Companies Act, 2013, Mr. Mohib Khericha, Mr. Nilesh Mankiwala and Mr. Saurin Palkhiwala were re-appointed as Independent Directors at the 29th Annual General Meeting of the company held on 26th September, 2019. The terms and conditions of appointment of Independent Directors are in line with the Schedule IV of the Companies Act, 2013.

Mr. Sorab Mody, Managing Director of the company Mr. Percy Avari & Mrs. Shanaya Mody Khatua, Whole-Time Directors of the company were reappointed as Managing Director and Whole-Time Directors respectively w.e.f 01 April 2020 on the terms and conditions as recommended by the Nomination and Remuneration Committee and by the Board of Directors of the company. The said re-appointment had been approved by the members of the company in the 29th Annual General Meeting.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the company, Mr. Sorab Mody and Mrs. Sheila Mody, 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.

Pursuant to the provisions of Regulation 36 of the 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 Companies Act, 2013. The company had received declaration from the Independent Directors of the company that they meet the conditions of independence as laid down under Section 149(6) of the Companies Act and Regulation 16(1)(b) of the Listing Regulations.

The Ministry of Corporate Affairs vide Notification No. G.S.R. 804(E) dated October 22, 2019 and effective from December 01, 2019 has introduced the provision relating to inclusion of names of Independent Directors in the Data Bank as maintained by Indian Institute of Corporate Affairs ('IICA'). All Independent Directors of your company are registered with IICA.

13. KEY MANAGERIAL PERSONNEL

Pursuant to provisions of Sections 2(51) and 203 of Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 following persons are acting as Key Managerial Personnel of the company as on 31st March, 2020;

a. Mr. Sorab Mody, Managing Director

b. Mr. Percy Avari, Whole-Time Director

c. Mrs. Shanaya Mody Khatua, Whole-Time Director

d. Mr. Cyrus Bhagwagar, Chief Financial Officer

e. Mr. Nishith Kayasth, Company Secretary

There has been no change in the Key Managerial Personnel of the company during the year under review.

14. NUMBER OF MEETINGS OF THE BOARD

Four meetings of the Board of Directors were held during the financial year 2019-20, the gap of which not exceeding the period as prescribed under the Companies Act, 2013. 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.

15. BOARD EVALUATION

In pursuance with the provisions of the Companies Act, 2013 and SEBI Guidance Note on Board evaluation read with relevant provisions of Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its Committees and individual Directors through the separate meeting of independent directors and the Board as a whole. The performance of the independent directors was evaluated by the entire Board.

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Executive and Non-Executive Directors of the company as per the Companies Act, 2013 in line with the Listing Regulations. The criteria was set based on various attributes, inter alia, experience, contribution, dedication, knowledge, sharing of information with the Board, regularity of attendance, aptitude, effectiveness, preparedness & participation, decision making process, their roles, rights, responsibilities in the company, strategic guidance and contribution of each Director in the growth of the company.

A separate meeting of Independent Directors was held on 13th February, 2020 to review the performance of Non-Independent Directors', performance of the Board & Committee as a whole and also reviewed the performance of Chairman of the company.

The company has devised a policy for performance evaluation of the Board, Committees and other Directors (including Independent Directors) which includes criteria for performance evaluation of the Non-Executive Directors and Executive Directors.

16. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your Directors hereby confirm the following:

(i) In the preparation of the annual accounts for the year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(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 31st March, 2020 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.

17. DECLARATION BY INDEPENDENT DIRECTORS

The Board of Directors of your company had received the declaration from all Independent Directors in the prescribed format conforming that they meet the criteria of independence as envisaged in the provisions of Section 149 of the Companies Act, 2013, Regulation 16(1)(c) read with Regulation 25 of the Listing Regulations.

18. POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The requisite details as required by Section 178(3) & (4) of the Companies Act, 2013 and as per the requirement of 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 Companies Act, 2013, is available on our website, i.e. www.mazdalimited.com.

19. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 as required under section 92(3) of the Companies Act, 2013 is attached as Annexure – A.

20. AUDIT COMMITTEE

Audit Committee of the Board has been constituted as per Section 177 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and in line with Regulation 18 of the Listing Regulations. The primary objective of the audit committee is to monitor and provide effective supervision of the management's financial reporting process, with the highest levels of transparency, integrity and quality of financial reporting.

The Audit Committee invites such of the executives as it considers appropriate to be present at the meeting particularly the Managing Director, the Chief Financial Officer, the representative of Statutory and Cost Auditors and the Internal Auditor of the company. All the members of Audit Committee are financially literate and majority of them have accounting and financial management expertise.

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

21. SHARE CAPITAL

Your Company had bought back and extinguished 2,53,000 equity shares from the open market through the stock exchange mechanism in accordance with the Companies Act, 2013 and the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. The share capital of the company as on date of the report is ₹ 4,00,50,000/- consisting of 40,05,000 equity shares of ₹ 10.00 each.

22. TRANSFER TO RESERVES

The company has not transferred any amount to the General Reserve for the financial year ended 31st March, 2020.

23. BUYBACK OF SHARES

The Board of Directors of the Company had, at its meeting held on 06 March 2019, approved the Buyback of its fully paid-up equity shares of the face value of ₹ 10/- each, from its shareholders, (except promoters, promoter group and the persons in control of the company), from the open market through the stock exchange mechanism, in accordance with the Companies Act, 2013 and the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

The maximum size of the buyback was ₹ 11 Crores, and at a maximum price ₹ 550/- per equity share. The company had commenced buyback on 19 March 2019 and concluded on 22 April 2019. The company had bought back and extinguished 2,53,000 equity shares at an average price of ₹ 431.70 per equity share. The buyback resulted a total cash outflow of ₹ 10.92 Crores (excluding transaction costs) which represents 99.29% of the Maximum Buyback Size as approved by the Board of Directors. Your company funded the buyback from utilization of its securities premium account and free reserves.

24. CHANGES IN THE NATURE OF BUSINESS, IF ANY

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

25. REPORTING OF FRAUD BY STATUTORY AUDITORS

There are no prevalence of fraud reported by the auditors as required under section 143 (12) of the Companies Act, 2013.

26. AUDITORS AND AUDITORS' REPORT

- **Statutory Auditor**

  At the 27th Annual General Meeting held on 12th September, 2017, the members have approved appointment of M/s Mayank Shah & Associates, Chartered Accountants, Ahmedabad (Registration No. 106109W) to hold office from 27th AGM up to the conclusion of 32nd Annual General Meeting.

  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 31st March, 2020. 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 Companies Act, 2013 M/s Rutul Shukla & Associates, Practicing Company Secretaries, has conducted secretarial audit of the company for the financial year 2019-20. Secretarial Audit Report given by Rutul Shukla & Associates, Practicing Company Secretaries is attached as Annexure-B.

  There are no qualifications, reservations or adverse remarks or disclaimers made by the auditor in their report on the Secretarial Audit Report of the company for the financial year ended 31st March, 2020. The Secretarial Audit Report is self-explanatory and do not call for any comments or explanations.

- **Cost Auditor**

  Pursuant to Section 148 of the Companies Act, 2013 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 Companies 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 V. H. Shah & Co., Cost Accountant, Ahmedabad (Registration No. 100257) to audit the cost accounts of the company for the financial year 2020-21. As required under the Act, necessary resolution seeking members' ratification for the remuneration payable to V. H. Shah & Co., is forming part of the notice.

  The Cost Audit Report for the financial year 2019-20 has been submitted to the Central Government in the prescribed format within stipulated time period.

27. 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 31st March, 2020 are forming part of financial statements. 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 31st March, 2020 was ₹ 27.90 Crores.

28. PARTICULARS OF RELATED PARTY TRANSACTIONS AND POLICY ON RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, and Listing Regulations, your company has formulated a Policy on Related Party Transactions which is available on company's website at www.mazdalimited.com. 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.

Omnibus approval was obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and at arm's length basis. Pursuant to Regulation 23 of the Listing Regulations, all related party transactions were placed before the Audit Committee on a quarterly basis for their review and approval.

There were no material related party transactions entered into by the company during the financial year under review. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 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 Listing Regulations are given in the Financial Statements.

29. STATE OF AFFAIRS OF THE COMPANY

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

30. 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.

31. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION & RESEARCH AND DEVELOPMENT & 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 – C.

32. MITIGATION OF RISK

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

33. CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR)

Your company believes in giving back to society in some measure that is proportionate to its success in business. Corporate Social Responsibility aims at balancing the needs of all stakeholders. Your company constantly identifies and implements unique initiatives which are scalable and sustainable and which have the capacity to create a positive impact on the lives of people especially the weaker and underprivileged or marginalized sections by contributing to development of health and education of them.

The requisite details on CSR activities pursuant to Section 135 of the Act and as per Annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014 are attached as Annexure – D.

34. 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. www.mazdalimited.com.

The statement of disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure – E to this Report.

The particulars of employees as required under section 197(12) of the Companies Act, 2013 read with rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 – Not Applicable.

35. REPORT ON CORPORATE GOVERNANCE

A report on Corporate Governance along with the certificate from the Practicing Secretarial Auditors confirming compliance with the conditions of Corporate Governance to the Report is forming part of this Annual Report.

36. 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.

37. INTERNAL FINANCIAL CONTROL SYSTEM

The internal financial controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Financial Statements. These include those policies and procedures that:

(i) pertain to the maintenance of records which in reasonably detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company,

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the Financial Statements in accordance with Generally Accepted Accounting Principles and that receipts and expenditures are being made only in accordance with authorisations of the Management and the Directors of the Company,

(iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the assets that can have a material effect on the Financial Statements. Internal Auditors has reviewed the adequacy of the internal financial controls with respect to the Financial Statements.

The Management assessed the effectiveness of the internal financial controls over financial reporting as of March 31, 2020 and the Board believes that the controls are adequate.

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

Your company has always believed that appropriate standard of conduct should be maintained by the employees in their conduct and that there should be a safe, indiscriminately and harassment free (including sexual harassment) work environment for individual working in the company. It aims at prevention of harassment of employees and lays down the guidelines for reporting and prevention of sexual harassment.

The company has in place a policy against Sexual Harassment at workplace in line with the requirement of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent and contractual) are covered under this policy. 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. No complaints were received by the company during the year under review.

39. COMPLIANCE WITH SECRETARIAL STANDARDS

The company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board meetings and Annual General Meetings.

40. VIGIL MECHANISM / WHISLTE BLOWER POLICY

Your company has put in place a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of Listing Regulations in consonance with Companies Act, 2013 for employees and others to report concerns about unethical behavior. The purpose of this policy is to create a fearless environment for the directors and employees to report any instance of unethical behavior, actual or suspected fraud or violation of Code of Conduct. The objective of this mechanism is to maintain a redressal system which can process all complaints concerning questionable accounting practices, internal controls or fraudulent reporting of financial information. The policy is posted on the website of the company at www.mazdalimited.com.

41. APPRECIATION

Your Board of Directors would like to express their sincere appreciation for the assistance, co-operation and support received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Board of Directors also wish to place on record the deep sense of appreciation for the committed services by the company's executive, staff and workers.

42. CAUTIONARY NOTE

The statements forming part of the Directors' Report may contain certain forward looking remarks within the meaning of applicable security laws and regulations. The actual results, performance, achievements of the company may be materially different from any future results, performance or achievements that may be expressed or implied by such forward looking statements.

For and on behalf of the Board,

Place : Ahmedabad
Date : 29/06/2020

Sd/-
Sorab Mody
Managing Director

Sd/-
Percy Avari
Whole-Time Director

Annexure - A

Form No. MGT-9
Extract of Annual Return for the Financial Year ended on 31 March, 2020
[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014]

I. Registration and other details:

CIN	L29120GJ1990PLC014293
Registration Date	03/09/1990
Name of the Company	Mazda Limited
Category / Sub- Category of the company	Public Limited / Limited by Shares
Address of Registered Office & Contact Details	C/1-39/13/16, G.I.D.C., Naroda, Ahmedabad – 382 330 Ph. 079 4000 7000, Fax: 079 2656 5605 E-mail: info@mazdalimited.com
Whether listed company	YES
Name, address & Contact details of the Registrar & Transfer Agent, if any	Link Intime India Private Limited 506-508, Amarnath Business Centre – 1 Besides Gala Business Centre, Off. C. G. Road, Navrangpura, Ahmedabad – 380 009 Email: ahmedabad@linkintime.co.in

II. Principal business activities of the Company
All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl. No.	Name & description of main product / services	NIC code of the product / services	% to total turnover of the company
1.	Engineering Products – Vacuum system, Evaporators and others	359.9	91.52
2.	Food Products	202.4 & 202.5	8.48
	TOTAL		**100.00**

III. Particulars of Holding, Subsidiary and Associate companies

Sl. no.	Name & address of the company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable section
N.A.					

IV. Shareholding pattern (Equity share Capital breakup as percentage of Total Equity)
(i) Category wise Shareholding :

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2019				No. of Shares held at the end of the year 31/03/2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual / HUF	1795978	-	1795978	42.18	1822592	-	1822592	45.51	3.33
b) Central/State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub Total(A) (1) :-	**1795978**	**-**	**1795978**	**42.18**	**1822592**	**-**	**1822592**	**45.51**	**3.33**

(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-		-
b) Other-Individuals	-	-	-	-	-	-	-		-
c) Bodies Corporate	-	-	-	-	-	-	-		-
d) Banks / FI	-	-	-	-	-	-	-		-
e) Any Other	-	-	-	-	-	-	-		-
Sub Total(A) (2) :-	-	-	-	-	-	-	-		-
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	**1795978**	**-**	**1795978**	**42.18**	**1822592**	**-**	**1822592**	**45.51**	**3.33**
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) MutualFunds	-	-	-	-	-	-	-	-	-
b) Banks / FI	800	-	800	0.02	800	-	800	0.02	0.00
c) Central/ State Govt. / IEPF	22061	-	22061	0.52	29283	-	29283	0.73	0.21
d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
e) Insurance Companies	-	-	-	-	-	-	-	-	-
f) FIIs	-	-	-	-	-	-	-	-	-
g) ForeignVenture CapitalFunds	-	-	-	-	-	-	-	-	-
h) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total(B)(1):-	**22861**	**-**	**22861**	**0.54**	**30083**	**-**	**30083**	**0.75**	**0.21**
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	256368	-	256368	6.02	224380	-	224380	5.60	-0.42
ii) Overseas	-	289500	289500	6.80	-	289500	289500	7.23	0.43
b) Individuals									
i) Individual share-holders holding nominal share capital upto ₹ 1 lac	996847	37510	1034357	24.29	871778	31010	902788	22.54	-1.75
ii) Individual share-holders holding nominal share capital in excess of ₹ 1 lac	532775	-	532775	12.51	569249	-	569249	14.21	1.70
c) Others (specify)									
NBFC registered with RBI	2069	-	2069	0.05	1181	-	1181	0.03	-0.02
Non-Resident Individuals	62718	8800	71518	1.68	53056	4400	57456	1.43	-0.25
Others - Buyback Escrow Account	66302	-	66302	1.56	-	-	-	-	-1.56
HUF	135962	-	135962	3.19	103543	-	103543	2.59	-0.60
Clearing Members	50310	-	50310	1.18	4228	-	4228	0.11	-1.07
Sub-Total(B)(2):-	**2103351**	**335810**	**2439161**	**57.28**	**1827415**	**324910**	**2152325**	**53.74**	**-3.54**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**2126212**	**335810**	**2462022**	**57.82**	**1857498**	**324910**	**2182408**	**54.49**	**-3.33**
C. SHARES HELD BY CUSTODIAN FOR GDRs AND ADRs	**-**	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**3922190**	**335810**	**4258000**	**100.00**	**3680090**	**324910**	**4005000**	**100.00**	-

(ii) Shareholding of Promoters:

Sr No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2019			Shareholding at the end of the year 31/03/2020			% change in share-holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Sorab R. Mody	1294656	30.40	0.00	1321270	32.99	0.00	2.59
2	Shanaya Mody Khatua	425622	10.00	0.00	425622	10.63	0.00	0.63
3	Sheila S. Mody	75700	1.78	0.00	75700	1.89	0.00	0.11
	Total	**1795978**	**42.19**	**0.00**	**1822592**	**45.51**	**0.00**	**3.33**

Note: The difference in calculation of percentage of shareholding is mainly due to extinguishment of 2,53,000 shares on account of buyback of shares.

(iii) Change in Promoters' shareholding :

Sr. No.	Name of the Promoter	Shareholding at the beginning of the year 01/04/2019		Date	Increase / (Decrease) in share-holding	Reason	Cumulative shareholding during the year 01/04/2019 to 31/03/2020	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1.	Sorab R. Mody	1294656	30.41	31-12-2019	26,614	Purchase	13,21,270	32.99
	At the end of the year				**26,614**		**13,21,270**	**32.99**
Mr. Sorab Mody had purchased shares during the year under review. The difference in calculation of percentage of shareholding is mainly due to extinguishment of 2,53,000 shares on account of buyback of shares.								

(iv) Shareholding pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the year 01/04/2019		Cumulative shareholding at the end of the year 31/03/2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Croll Reynolds International Inc.	289500	6.80	289500	7.23
2.	Anil Kumar Goel	90000	2.11	90000	2.25
3.	Sharad Kanayalal Shah	87000	2.04	70000	1.75
4.	Dorabjee and Co. Pvt. Ltd.	62859	1.48	62859	1.57
5.	Bharat Jamnadas Dattani	63205	1.48	63205	1.59
6.	Nilesh Hastimal Shah	42300	0.99	42300	1.06
7.	Shailesh Babalal Shah	120	0.00	42120	1.05
8.	Seema Goel	80000	1.88	31796	0.79
9.	Maulik Girish Sharedlal	30000	0.70	30000	0.75
10.	Shaheen Javed Saiyed	14394	0.34	29543	0.74
11.	Mazda Limited - Buyback 2019 – Escrow Account	66302	1.56	-	-
12.	Sharekhan BNP Paribas Financial Services Pvt. Ltd.	48000	1.13	-	-
13.	Manharlal Chimanlal Parikh – HUF	30575	0.72	-	-

Notes:

a) The increase/decrease in shareholding in top 10 shareholders is due to Market transactions (Purchase / Sale of shares) between the shareholders and the shares of the company are traded on a daily basis hence date wise increase / decrease in shareholding is not indicated.

b) There is a change in the paid up capital of the company due to buyback of equity shares during the financial year 2019-20. Hence percentage change of the holding is calculated accordingly.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Director & KMP	Shareholding as at 01st April, 2019		Shareholding as at 31st March, 2020	
		Number of shares	% of total shares of the company	Number of shares	% of total shares of the company
1.	Mr. Sorab Mody, Managing Director	1294656	30.41	1321270	32.99
2.	Mr. Mohib Khericha, Chairman & Independent Director	-	-	-	-
3.	Mr. Samuel Croll – III, Non-Executive Director	-	-	-	-
4.	Mrs. Sheila Mody, Non-Executive Director	75700	1.78	75700	1.89
5.	Mrs. Houtoxi Contractor, Non-Executive Director	592	0.01	592	0.01
6.	Mr. Nilesh Mankiwala, Independent Director	-	-	-	-
7.	Mr. Saurin Palkhiwala, Independent Director	-	-	-	-
8.	Mr. Percy Avari, Whole-Time Director	45205	1.06	45205	1.13
9.	Mrs. Shanaya Mody Khatua, Whole-Time Director	425622	10.00	425622	10.63
	Key Managerial Personnel				
10.	Mr. Cyrus Bhagwagar, Chief Financial Officer (CFO)	1000	0.02	1000	0.02
11.	Mr. Nishith Kayasth, Company Secretary	-	-	-	-

Notes:

a) There was no purchase / sale of shares by KMP except Mr. Sorab R. Mody.

b) The difference in calculation of percentage of shareholding is mainly due to extinguishment of 2,53,000 shares on account of buyback of shares.

V. Indebtedness

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

Particulars	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amt.	1,78,74,784	-	-	1,78,74,784
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	38,933	-	-	38,933
Total (i+ii+iii)	**1,79,13,716**	**-**	**-**	**1,79,13,716**
Change in Indebtedness during the financial year				
i) Addition	3,52,72,940	-	-	3,52,72,940
ii) Reduction	(4,63,87,284)	-	-	(4,63,87,284)
Net Change	**(1,11,14,344)**	**-**	**-**	**(1,11,14,344)**
Indebtedness at the end of the financial year				
i) Principal Amt.	67,48,059	-	-	67,48,059
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	51,313	-	-	51,313
Total (i+ii+iii)	**67,99,373**	**-**	**-**	**67,99,373**

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-Time Director and / or Manager:

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount
		Sorab Mody	Percy Avari	Shanaya Mody Khatua	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary u/s 17(3) of the Income tax Act, 1961	 59,48,800 32,400 -	 71,63,200 32,400 -	 71,63,200 32,400 -	 **2,02,75,200** **97,200** -
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as %age of profit - others, specify	 35,18,800 -	 23,04,400 -	 23,04,400 -	 **81,27,600** -
5.	Others, please specify	-	-	-	-
	Total (A)	**95,00,000**	**95,00,000**	**95,00,000**	**2,85,00,000**
	Ceiling as per the Act*				

Note*: The company is paying remuneration to its' Executive Directors in line with the provisions of Section 197 read with Schedule V (Part II of Section II) of the Companies Act, 2013 by way of passing Special resolution in the Annual General Meeting of the company.

B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Name of the Director			Total Amount
1.	**Independent Directors**	**Mohib Khericha**	**Nilesh Mankiwala**	**Saurin Palkhiwala**	
	(a) Fee for attending board / Committee Meetings (b) Commission (c) Others, please specify	4,10,000 - -	2,75,000 - -	4,05,000 - -	10,90,000 - -
	Total (1)	**4,10,000**	**2,75,000**	**4,05,000**	**10,90,000**
2.	**Other Non-Executive Directors**	**Sheila Mody**	**Houtoxi Contractor**	**Samuel Croll-III**	**Total Amount**
	(a) Fee for attending board /committee meetings (b) Commission (c) Others, please specify	5,00,000 - -	50,000 - -	50,000 - -	6,00,000 - -
	Total (2)	**5,00,000**	**50,000**	**50,000**	**6,00,000**
	Total (B)=(1+2)				**16,90,000**
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

C. Remuneration to Key Managerial Personnel other than MD/ WTD/ Manager :

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Cyrus Bhagwagar, CFO	Nishith Kayasth, Company Secretary	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary u/s 17(3) of the Income tax Act, 1961	 41,21,517 32,400 -	 15,41,669 32,400 -	 **56,63,186** **64,800** -
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as %age of profit - others, specify	 - -	 - -	 - -
5.	Others, please specify	-	-	-
	Total	**41,53,917**	**15,74,069**	**57,27,986**

VII. Penalties / Punishment / Compounding of Offences: NA

Annexure - B

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[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, the explanations and clarifications given to us and the representations made by the company management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2020** generally 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 made available to us and maintained by the Company for the financial year ended on 31st March, 2020 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 (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;

(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 therelevant 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) The Equity Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited(NSE) and the 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 generally 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 as per the explanations given to us and the representations made by the Management and relied upon by us, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

1. During the year, the Company has bought back 2,53,000 Equity Shares of the face value of ₹ 10/- each and hence subscribed and paid up capital of the Company stands reduced to that extent.

For Rutul Shukla & Associates,
Company Secretaries

Place: Ahmedabad
Date : 30th June , 2020

Rutul J. Shukla
FCS : 6776 (CP : 7470)
UDIN: F006776B000402622

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. In the situation of COVID-19 pandemic and resultant lockdown, we have conducted the Secretarial Audit based upon the online documents / information provided by and discussion with the management without personal visit to the Company's premises.
4. 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 is 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

Place: Ahmedabad
Date : 30th June , 2020

Rutul J. Shukla
FCS : 6776 (CP : 7470)
UDIN: F006776B000402622

Annexure - C

Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required in terms of Section 134(3) (m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014:

Sr. No.	Particulars	Action taken
1.	**Details of Conservation of Energy**	• Use of energy efficient Machine, LED tube lights & computer system in office & factory premises • Replacement of old machinery with power efficient & ecofriendly machinery from time to time
2.	**Research & Development (R&D)**	
A.	Specific areas in which R&D carried out by the company	Freeze Precipitation Technology • Successful trials were conducted for recovery of Sodium sulphate from Inorganic chemical industry's wastewater • Commercial plant dispatched at site for Sodium sulphate recovery from wastewater of Inorganic Chemical Industry • Conducting various trials on industrial waste water and collection of data for various industrial waste and products
B.	Benefits derived as a result of the above R&D	• Reduction in energy consumption due to application of Freeze Precipitation Technology • Recovery high quality of the valuable product from effluent
C.	Future plan of action	For better performance of ZLD system
D.	Expenditure on R&D a. Capital b. Recurring **c. Total** d. Total R&D expenditure as a percentage of total turnover	 ₹ 1.88 Lacs ₹ 186.63 Lacs ₹ **188.51 Lacs** 1.04%
3A.	**Technology absorption, adaptation and innovation**	**Particles Separation**
a)	Efforts, in brief, made towards technology absorption, adaptation and innovation	• Particles Separation is based on cyclone separation principal, and A pilot plant made for multi-cyclone separation system as per lab plant's trial feedback • Various trials were conducted in the Dairy Industry for various liquid-solid separation. The trial results are not as per requirement.
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	 - - - -

Annexure - D

[Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

I. A brief outline of Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

Your company conducts business in a sustainable and socially responsible manner. Your company is committed to the safety and health of employees, protecting the environment and the quality of life in all regions in which your company operates.

CSR initiatives of the company aim towards inclusive development of communities through a range of social interventions, enhancing skills and building social infrastructure to improve their livelihood. Our CSR approach focuses on development of communities around the vicinity of our plants and other offices.

The Company engages with credible institutions, NGO's, government agencies and other foundations to leverage their expertise, networks and relationships in implementing the CSR initiatives.

The Company's CSR Policy framework details and the mechanism for undertaking various programmes is in line with provisions of Section 135 read with Schedule VII of the Companies Act, 2013 for the benefit of the community.

The projects are falling under the activity head 'Promoting Education', 'Health care including preventive health care' and 'promoting education, including special education and employment enhancing vocation skills especially among children' mentioned in the CSR policy of the company and as per schedule VII of the Companies Act, 2013. Therefore, the funds available for CSR activities have been spent for the projects as mentioned above. The CSR policy of the company is available at www.mazdalimited.com.

II. Composition of Committee:

The Board of Directors of your company has constituted the CSR Committee to help the company to frame, monitor and execute the CSR activities of the company under its CSR scope. The Committee defines the parameters and observe them for effective discharge of the social responsibility of your Company.

Name	Category and Position
Mrs. Sheila Mody	Non-Executive Director, Chairperson
Mr. Mohib Khericha	Independent Director, Member
Mr. Percy Avari	Executive Director, Member

III. Average net profit of the Company as per Section 198 of the Companies Act, 2013 and Rules made thereunder for last three financial years: ₹ 1233.33 Lakh

Years	2018-19	2017-18	2016-17
Net Profit (in Lakh)	1564.66	1103.49	1031.83

IV. Prescribed CSR Expenditure (two percent of the amount as in item III above): ₹ 24.67 Lakh

V. Details of CSR spent during the Financial Year 2019-20:

a. Total amount spent for the financial year : ₹ 24.98 Lakhs

b. Amount unspent, if any : Nil

Manner in which the amount spent during the financial year 2019-20 is detailed below:

Sr. No.	CSR project	Sector in which the project is covered	Projects or programs 1) Local Areas or other 2)Specify the state and district where projects or programs was undertaken	Amount outlay(budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs. 2) Overheads	Cumulative expenditure up to the reporting period	Amount spent (Direct or through implementing agency)
a.	For Educational project scholarships and sponsorship of children	Promoting Education including special education		₹ 1.98 Lacs	Direct Expenses of ₹ 1.98 Lacs	₹ 1.98 Lacs	₹ 1.98 Lacs Direct payment to Smile Foundation
b.	For project PRAYAS for upliftment of street child			₹ 8.00 Lacs	Direct Expenses of ₹ 8.00 Lacs	₹ 8.00 Lacs	₹ 8.00 Lacs Direct payment to the Karma Foundation
c.	For providing furniture and other necessity to school in Kheda District			₹ 1.50 Lacs	Direct Expenses of ₹ 1.50 Lacs	₹ 1.50 Lacs	₹ 1.50 Lacs Direct Payment to Amdavad Jilla Gramodhyog Sangh
d.	For providng health care facility in Kutchh area for salt workers	Health care including preventive health care		₹ 1.50 Lacs	Direct Expenses of ₹ 1.50 Lacs	₹ 1.50 Lacs	₹ 1.50 Lacs Direct Payment to Setu Charitable Trust
e.	For Pediatric cataract - treatment			₹ 2.50 Lacs	Direct Expenses of ₹ 2.50 Lacs	₹ 2.50 Lacs	₹ 2.50 Lacs Direct Payment to Health & Care Foundation
f.	For Charusat Hospital situated at Changa, Anand			₹ 5.00 Lacs	Direct Expenses of ₹ 5.00 Lacs	₹ 5.00 Lacs	₹ 5.00 Lacs Direct Payment to Chaursat Healthcare & Research Foundation
g.	For purchase of machine for treatment of glaucoma related blindness			₹ 4.50 Lacs	Direct expenses of ₹ 4.50 Lacs	₹ 4.50 Lacs	₹ 4.50 Lacs Direct payment to Blind People's Association

Annexure - E

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 March, 2020:

Sr. No.	Executive Directors	Remuneration Rs. in Lacs	Median remuneration Rs. in Lacs	Ratio
1.	Mr. Sorab Mody, Managing Director	95.00	4.27	20.33
2.	Mr. Percy Avari, Whole-Time Director	95.00	4.27	20.33
3.	Mrs. Shanaya Mody Khatua, Whole-Time Director	95.00	4.27	20.33

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. Sorab Mody, Managing Director	17.43%
2.	Mr. Percy Avari, Whole-Time Director	17.43%
3.	Mrs. Shanaya Mody Khatua, Whole-Time Director	17.43%
4.	Mr. Cyrus Bhagwagar, CFO	6.20%
5.	Mr. Nishith Kayasth, Company Secretary	2.37%

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. Due to marginal increase in commission on profits their remuneration has been increased.

3) Percentage increase in median remuneration of employees in the financial year: 7%

4) The number of permanent employees on the rolls of the company as on 31st March, 2020: 219

5) Average percentile increase 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 2019-20 was 8% and increase in managerial personnel remuneration is due to increase in commission on net profits.

6) It is affirmed that the remuneration paid is as per the remuneration policy of 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: N.A.

REPORT ON CORPORATE GOVERNACE

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

The following is report on Corporate Governance Code as implemented by your company.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance envisages attainment of highest level of transparency, integrity, equity, openness, fairness and accountability in all faces' of its functioning and its interactions with shareholders, employees, government, regulatory bodies and community at large. The Company recognizes good corporate governance practices as a key driver to sustainable growth and long term value creation and thus encourages timely and accurate dissemination of information to all their stakeholders.

'MAZDA LIMITED' is committed to achieve the good standards of Corporate Governance on a continuous basis by laying emphasis on ethical behavior and establishment of good corporate cultures which aim at a true Corporate Governance. The company complies with the corporate governance provisions as specified in chapter IV of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

2. BOARD OF DIRECTORS

The Board is entrusted with an ultimate responsibility of the Management, directions and performance of the company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the company's management by discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

(a) Composition of Board

The Board is broad-based and consists of eminent individuals from Industrial, Managerial, Technical, Financial and Marketing background. The Company is managed by the Board of Directors in co-ordination with the Senior Management team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements.

In compliance with the code of Corporate Governance, the composition of Board of Directors comprised of Executive, Non-Executive Directors and Independent Directors. As on 31st March, 2020, the Board comprised of nine Directors which include Three Executive Director, Three Non-Executive Directors & Three Independent Directors.

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 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 31st March, 2020. The particulars of composition of the Board of Directors and their attendance at the Board Meetings held during the year and at the last Annual General Meeting, the details of which 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	Chair-person	
Mr. Mohib N. Khericha, Chairman (DIN: 00010365)	Non-Executive & Independent	4 of 4	Yes	4	4	2	• TD Power Systems Limited (Non-Executive Director) • Chartered Capital And Investment Limited (Managing Director)
Mr. Sorab R. Mody, Managing Director (DIN: 00498958)	Promoter & Executive	4 of 4	Leave sought	Nil	Nil	Nil	Nil
Mr. Samuel W. Croll– III (DIN: 01407244)	Non-Executive	1 of 4	Leave sought	Nil	Nil	Nil	Nil
Mrs. Sheila S. Mody (DIN: 00496561)	Non-Executive	4 of 4	Leave sought	Nil	Nil	Nil	Nil
Mrs. Houtoxi F. Contractor (DIN: 00499260)	Non-Executive	1 of 4	Leave sought	Nil	Nil	Nil	Nil
Mr. Nilesh C. Mankiwala (DIN: 06927530)	Non-Executive & Independent	4 of 4	Leave sought	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	3 of 4	Leave sought	Nil	Nil	Nil	Nil

Notes:

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 Companies Act, 2013 and alternate directorship.

It includes only the chairmanship/membership of the Audit Committee, Stakeholders' Relationship Committee, and Nomination & Remuneration Committee.

As on 31st March, 2020, none of the Directors of the company were related to each other except Mr. Sorab Mody, Mrs. Sheila Mody and Mrs. Shanaya Mody Khatua are related to each other.

All Independent Directors of the Company have furnished declarations that they qualify the conditions of being independent as per Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. These were placed before the Board. The Board, based on the declaration(s) received from the IDs, have verified the veracity of such disclosures and confirmed that the Independent Directors fulfil the conditions of Independence specified in the 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 2019-20.

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

The Board has identified the following skills / expertise / competencies fundamental for the effective functioning of the company's business and that the said skills are available within the Board Members:

Business Strategies	Experience in developing, implementing, and challenging a plan of action designed to achieve the long term goals of an organization including in areas of business development, strategic planning, succession planning, and guiding the company and its senior management towards its vision and values.
Finance & Accounting Expertise	Ability to understand financial policies, accounting statements and disclosure practices and contribute to the financial/risk management policies/ practices of the company.
Governance, Risk & Compliance	Commitment, belief and experience in setting corporate governance practices to support the company's robust legal compliance systems and governance policies/practices.
Industry knowledge and experience	Should possess domain knowledge in businesses in which the company participates. Must have the ability to leverage the developments in the areas of engineering and technology and other areas as appropriate for betterment of company's business.
Global Experience	Ability to have access and understand business models of global corporations, relate to the developments with respect to leading global corporations and assist the company have a network of contacts in global corporations and industry worldwide.
Sales and Marketing	Ability in developing strategies to increase market share through innovation, build better brand experience for customers, improve prospective customer engagement levels and help establish active customers become loyal brand followers.

The mapping of the Skill Matrix for the Financial Year 2019-20 for all the Directors is as follows:

Name of Director	Area of Skills / Expertise					
	Business Strategies	Finance & Accounting Expertise	Governance, Risk & Compliance	Industry knowledge and experience	Global Experience	Sales and Marketing
Mr. Mohib Khericha	√	√	√	√	√	-
Mr. Sorab Mody	√	√	√	√	√	√
Mr. Samuel Croll- III	√	√	√	√	√	√
Mrs. Sheila Mody	-	√	√	√	-	-
Mrs. Houtoxi Contractor	-	√	√	√	√	-
Mr. Nilesh Mankiwala	-	-	√	√	-	√
Mr. Saurin Palkhiwala	√	√	√	-	-	-
Mr. Percy Avari	√	√	√	√	√	√
Mrs. Shanaya Mody Khatua	√	√	√	√	√	√

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

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the company. Board members are aware of the business, its operations and senior management well enough to contribute effectively to board discussions and decisions. It maintains robust governance arrangements to ensure it always acts in a way that will generate sustainable value for the company.

During the financial year 2019-20, the Board met 4 times on the following dates:

28th May, 2019 13th August, 2019 11th November, 2019 13th February, 2020

(d) Shareholding of the Directors:

Statement showing number of equity shares of the company held by the Directors as on 31st March, 2020:

Name of the Directors	Category of the Directors	Number of Equity Shares of ₹ 10/- each
Mr. Mohib Khericha	Non-Executive & Independent	Nil
Mr. Sorab Mody	Promoter & Executive	13,21,270
Mr. Samuel Croll- III	Non-Executive	Nil
Mrs. Sheila Mody	Non-Executive	75,700
Mrs. Houtoxi Contractor	Non-Executive	592
Mr. Nilesh Mankiwala	Non-Executive & Independent	Nil
Mr. Saurin Palkhiwala	Non-Executive & Independent	Nil
Mr. Percy Avari	Executive	45,205
Mrs. Shanaya Mody Khatua	Executive	4,25,622

3. AUDIT COMMITTEE

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors. It assists the Board in fulfilling its responsibilities of monitoring financial reporting processes; reviewing company's established systems and processes for internal financial controls and governance; and reviews company's statutory and internal audit processes. The committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Companies Act and Listing Regulations.

All the members of the committee have the ability to read and understand the financial statements. The Chairman of the committee possesses professional qualifications in the field of Finance and Accounting.

The composition, quorum, powers, role and scope are in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The Audit Committee constituted with following members:

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

The members of the Audit Committee have adequate experience and knowledge of Accounts, Audit, and Finance.

Terms of reference of the Audit Committee

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Listing Regulations and Section 177 of the Companies Act, 2013. The brief terms of reference of Audit Committee 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;
- 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 Companies Act, 2013;
  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;
- 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;
- 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;
- 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;
- 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;
- To review and approve of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.
- Recommending to the Board, the appointment / reappointment of the Cost Auditors and Secretarial Auditor.
- Such other functions as may be specified by the Board of Directors of the company from time to time.

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.

Details of Audit Committee meetings and attendance:

During the financial year, the Audit Committee of the Board met four times and the gap between any two meetings of the Audit Committee is not more than 120 days, ensuring compliance with the requirement of Regulation 18 of the Listing Regulations and the Companies Act, 2013. The Committee met on below mention dates:

28th May, 2019 13th August, 2019 11th November, 2019 13th February, 2020

All members of the committee have attended the meetings held during the period. The Chairman of the Audit Committee has attended the Annual General Meeting of the company.

4. NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was formed mainly to ensure overall diversity of representatives and provide guidance to the Board for appointment of top management and to address issues such as required expertise, background, leadership skills, time availability, conflict of interest, willingness to participate actively and inter-organizational relationships of the proposed appointee as a Director or member of the senior management. The Committee is endowed with the powers and roles as prescribed in the terms of reference.

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	Chairman, Non-Executive & Independent Director	1 of 1
2.	Mr. Mohib Khericha	Member, Non-Executive & Independent Director	1 of 1
3.	Mrs. Sheila Mody	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 13th August, 2019 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 employees, secure attendance of outsiders with relevant expertise or obtain legal or other professional advice from external sources, whenever required.

The Board of Directors has, on the recommendation of the Nomination and Remuneration Committee adopted the Nomination and Remuneration Policy for selection and appointment of Directors, Senior Management and their Remuneration.

(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:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board change in a policy, relating to the remuneration for the Directors, Key Managerial Personnel, Senior Management personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of Directors;
- Devising a policy on Board diversity;
- 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 appointments and removal and shall carry out evaluation of every director's performance;
- To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- To recommend to the board, all remuneration, in whatever form, payable to senior management.
- To perform such function as may be assigned by the Board of Directors from time to time and
- To perform such other function as required as per the provision of the Companies Act, 2013, rules thereof and the Listing Regulations.

(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 by the recommendation of the Nomination and Remuneration Committee, 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 Meetings. 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. www.mazdalimited.com.

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

Name of Directors	Sitting Fees (₹)	Salaries, Perquisites & Other allowances (₹)	Commission (₹)	Total (₹)
Mr. Sorab R. Mody (Managing Director)	NIL	59,81,200	35,18,800	**95,00,000**
Mr. Mohib N. Khericha (Chairman)	4,10,000	NIL	NIL	**4,10,000**
Mr. Samuel W. Croll – III	50,000	NIL	NIL	**50,000**
Mrs. Sheila S. Mody	5,00,000	NIL	NIL	**5,00,000**
Mrs. Houtoxi F. Contractor	50,000	NIL	NIL	**50,000**
Mr. Percy X. Avari	NIL	71,95,600	23,04,400	**95,00,000**
Mrs. Shanaya Mody Khatua	NIL	71,95,600	23,04,400	**95,00,000**
Mr. Nilesh C. Mankiwala	2,75,000	NIL	NIL	**2,75,000**
Mr. Saurin V. Palkhiwala	4,05,000	NIL	NIL	**4,05,000**

(e) Criteria for Performance evaluation of Directors:

Pursuant to the Companies Act, 2013 and Listing Regulations, performance evaluation of the Directors including Independent Directors has been devised by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

Pursuant to provisions of Section 178(5) of the Companies Act, 2013 read with Regulation 20 of the Listing Regulations, 'Stakeholders Relationship Committee' of the Board has been constituted to look into the shareholders grievances.

The meeting of the Stakeholders Relationship Committee was held on 13th February, 2020 during the financial year under review.

The Committee consists of three Directors as mentioned below:

Sr. No.	Name of Director	Designation	No. of meetings held and attended during the tenure
1.	Mrs. Sheila Mody	Chairperson, Non-Executive Director	1 of 1
2.	Mr. Percy Avari	Member, Executive Director	1 of 1
3.	Mr. Nilesh Mankiwala	Member, Independent Director	1 of 1

The Board approved 'Terms of Reference' of the Committee of Directors in compliance with Section 178 of the Companies Act and Regulation 20 read with Part D of Schedule II of the Listing Regulations. The Committee looks into the matters of Shareholders/Investors grievances along with other matters listed below:

- To resolve the grievances of the security holders of the company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- To review measures taken for effective exercise of voting rights by shareholders.
- To review adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- To review of the measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Issue of duplicate share certificates;
- Issue of new share certificate and to consider request for rematerialisation, if any;
- To carry out any other function as prescribed under the Listing Regulations, the Companies Act, 2013 and other Applicable Law as amended from time to time.
- To carry out any other duties that may be delegated to the Committee by the Board of Directors from time-to-time.
- All other matters related to shareholders;

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

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board has constituted "Corporate Social Responsibility Committee", pursuant to the provisions of section 135 of the Companies Act, 2013. The Committee consists following members in the Committee:

Sr. No.	Name of Director	Designation	No. of meetings held and attended during the tenure
1.	Mrs. Sheila Mody	Chairperson, Non-Executive Director	1 of 1
2.	Mr. Mohib Khericha	Member, Independent Director	1 of 1
3.	Mr. Percy Avari	Member, Executive Director	1 of 1

The Committee's terms of reference meet with the requirements of the Companies Act, 2013 which are as under:

- To formulate and recommend to the Board, a Corporate Social Responsibility policy which shall indicate the activities to be undertaken by the company in areas or subject, as specified in Schedule VII of the Companies Act, 2013 and rules made thereunder.
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To decide about spending of the fund available for CSR.
- To monitor the implementation of framework of 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; and
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor process.

The Corporate Social Responsibility Committee meeting was held on 13th February, 2020 wherein all the members of the Committee were present. In the said meeting, 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 – D to the Directors' Report.

7. INDEPENDENT DIRECTORS MEETING

The Independent Directors of the company meet at least once in every financial year without the presence of Non-Independent Directors, Executive Director and any other management personnel. The meeting(s) is conducted in a manner to enable the Independent Directors to discuss matter pertaining to, inter alia, review of performance of Non-Independent Directors and the Board as a whole, assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

During the year, one meeting of Independent Directors was held on 13th February, 2020. All the Independent Directors were present at this Meeting.

Familiarization Programme for Independent Directors:

The Company and business familiarization process for Independent Directors was an ongoing process during the financial year and largely carried out by way of special discussions and presentations at Board / Committee meetings on important matters such as key regulatory changes, material legal matters, changing industry trends, periodic operations review, strategy discussions and exceptional developments, if any, in the Company. They are made aware of the important policies, code of conduct to be followed by the Board members and Senior Management Personnel and regulate, monitor and report trading in securities by Insiders on a continuous basis.

The details of such familiarization programme for Independent Directors are available on the website of the company i.e. www.mazdalimited.com.

8. GENERAL BODY MEETINGS

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

Meeting	29th AGM	28th AGM	27th AGM
Year	2018-19	2017-18	2016-17
Venue	Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330		
Date & Time	26th September, 2019 at 9.30 A M	04th September, 2018 at 9.30 A M	12th September, 2017 at 9.30 A M
No. of Special Resolution	07	00	00

- **Postal Ballot**

  During the financial year under review, no approval of the shareholders was 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 laid down.

9. SUBSIDIARY COMPANY

The company does not have any subsidiary company.

10. POLICY FOR PROHIBITION OF INSIDER TRADING

The Company has formulated and adopted the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' which inter alia includes Policy for determination of "Legitimate Purpose" and 'Code of

Conduct for Prevention of Insider Trading in Securities of Mazda Limited' in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The code governs all Directors, Senior Management Personnel, Promoter(s)/Promoter(s) Group(s) 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. www.mazdalimited.com. During the year under review, the Code of Conduct was amended in line with the amendments brought in the Regulations of Prohibition of Insider Trading by SEBI.

11. DISCLOSURES

- 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 www.mazdalimited.com.
- There are no materially significant related party transactions please refer Note No. 37 of the standalone financial statements, forming part of this Annual Report.
- The company is preparing these financial statements in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as time to time notified under section 133 of the Companies Act, 2013.
- Pursuant to Regulation 32 (7A) of the Listing Regulations, the company had not raised funds through preferential allotment or qualified institutions placement.
- 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 2019-2020.
- Total fees for all services paid by the listed entity, on a consolidated basis, to the statutory auditor and all entities in the network firm of which the statutory auditor is a part:

  Details relating to fees paid to the Statutory Auditors are given in Note No. 28 to the Standalone Financial Statements.
- 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.
- 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 Managing Director of the company. The Audit Committee periodically reviews the adequacy and efficacy of the overall risk management system.
- 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.
- The company has a well-defined 'Code of Business Conduct' applicable to all the Board members and senior management personnel. The compliance to 'Code of Business Conduct' has been affirmed by the Managing Director of the company. The certificate for the affirmation to the same forms part of the Corporate Governance Report.

- The Board receives on a quarterly basis, certificates of compliance with the provisions of all applicable laws from the Managing Director and Compliance Officer, which are taken on record by the Board.
- A Practicing 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 is 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.
- The Managing Director and Chief Financial Officer have given a Certificate to the Board as contemplated in Listing Regulations, 2015 and the same forms the part of Corporate Governance Report.
- 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.
- 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.
- Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
  a. number of complaints filed during the financial year: Nil
  b. number of complaints disposed of during the financial year: Nil
  c. number of complaints pending as on end of the financial year: Nil
- The company has complied with all mandatory requirements laid down by Listing Regulations including those specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46. Hence there have been no non-compliances with mandatory requirement of Corporate Governance code. The Compliance Certificate given by Practicing Company Secretary for the financial year under review forms part of the Corporate Governance Report.
- Your company has partly adopted non-mandatory requirements laid down by 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.
- 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 Listing Regulations.

12. MEANS OF COMMUNICATION

- Half-Yearly report sent to each household of shareholders — No
- The company published 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 (English and Gujarati) Edition
- Website, where displayed — At Company's Website www.mazdalimited.com 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

13. GENERAL SHAREHOLDERS INFORMATION

- AGM – Date - Friday, 25th September, 2020
  – Time - 11.00 AM
  – Mode - Through Video Conferencing / Other Audio Visual Means as set out in the Notice convening the Annual General Meeting.

•	Financial Calendar (Tentative)	April 2020 to March 2021
	(a) First Quarter Results	Second week of August 2020
	(b) Second Quarter Results	Second week of November 2020
	(c) Third Quarter Results	Second week of February 2021
	(d) Fourth Quarter results	Last week of May 2021
	(e) Results for the year ending March 2020 (Audited)	Last week of May 2021
•	Date of Book Closure	18th September, 2020 to 25th September, 2020 (Both days inclusive)
•	Dividend Payment Date (Tentative)	06th October, 2020
•	Listing on Stock Exchanges	- Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 - National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block – G, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Listing fees for the period 2020-21 has been paid to the stock exchanges.
•	Stock Code	BSE: 523792 NSE: MAZDA
•	Demat ISIN No.	For NSDL and CDSL INE885E01034
•	CIN	L29120GJ1990PLC014293
•	Registrar and Share Transfer Agent	Link Intime India Pvt. Ltd 506-508 Amarnath Business Centre – I Off. C.G. Road, Navarangpura, Ahmedabad – 380 009
•	Name and email address of the Compliance officer of the company	Mr. Nishith Kayasth Company Secretary Email: nishith@mazdalimited.com Phone: 079-4000 7000
•	Dematerialization of shares and liquidity	91.88% of the paid-up capital has been dematerialized as on 31st March, 2020.
•	Plant Location	**Unit-I** C/1-39/13/16 GIDC, Naroda, Ahmedabad- 382 330 **Unit-II** Plot No. 11 & 12, Hitendranagar Sahakari Vasahat Ltd., N.H. Road, Naroda, Ahmedabad- 382 340 **Unit-III** C/1, A-5, GIDC, Odhav,Ahmedabad- 382 415 **Unit-IV** Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330 **Unit-V** Plot No. 7610, Phase-IV, GIDC, Vatva, Ahmedabad – 382 445
•	Address for correspondence	**Mazda Limited**: Corporate Office: Mazda House, 650/1 Panchwati 2nd Lane, Ambawadi, Ahmedabad- 380 006

- Credit rating: 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'.

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

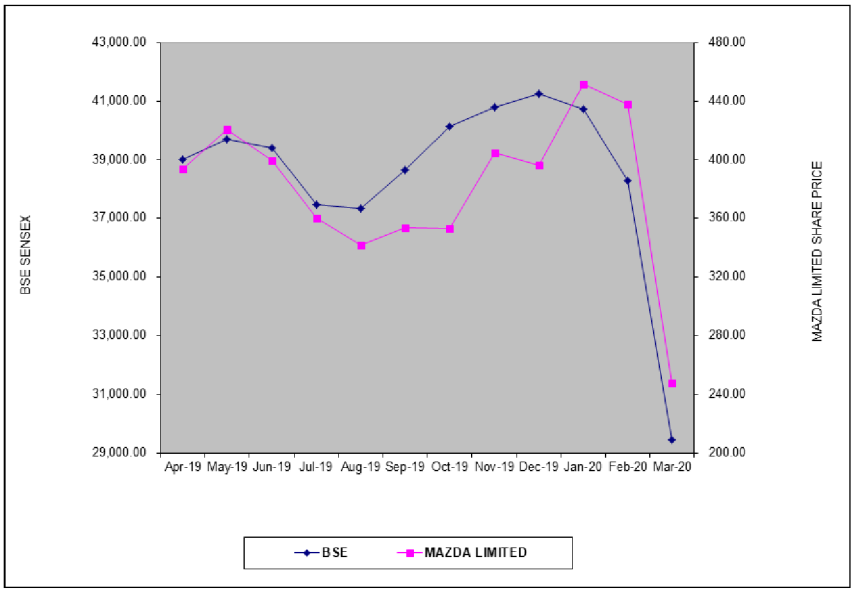
  In terms of Regulation 40(1) of Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. 01st April, 2019, except in case of request received for transmission or transposition of securities. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the company.

  Members holding shares in physical form are requested to get their shares dematerialised at the earliest to avoid any inconvenience in future while transferring the shares. 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) Pvt. Ltd. to seek guidance in the demat procedure.
- **Monthly Highs and Lows of Market Price of the Company's Shares Traded on BSE & NSE for the period April 2019 to March 2020:**

Month	Bombay Stock Exchange Limited (BSE)		National Stock Exchange of India Limited (NSE)	
	High	Low	High	Low
April, 2019	451.95	392.00	466.10	386.00
May, 2019	480.00	361.10	484.85	360.00
June, 2019	445.85	393.10	449.90	390.00
July, 2019	428.70	357.05	430.50	351.15
August, 2019	387.00	320.00	383.00	320.05
September, 2019	373.90	333.05	379.90	333.50
October, 2019	380.00	335.50	397.00	340.00
November, 2019	420.45	350.00	424.40	352.00
December, 2019	405.00	371.00	420.00	371.15
January, 2020	491.60	395.00	495.05	392.00
February, 2020	531.00	434.00	546.85	415.60
March, 2020	434.05	222.25	435.05	228.00

Source: BSE & NSE Website

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



- Shareholding pattern as on March 31, 2020

Categories	No. of Shares held	% of Total Shareholding
Promoter's Holding		
Promoters and its group – Indian	1822592	45.51
Foreign Promoters	-	-
Sub – Total	**1822592**	**45.51**
Non – promoter's Holding		
Banks & NBFC	1981	0.05
Central Government / State Government / IEPF Authority	29283	0.73
Domestic Companies	224380	5.60
Indian Public	1472037	36.76
NRI's	57456	1.43
Foreign Company	289500	7.23
Others	107771	2.69
Sub – Total	**2182408**	**54.49**
GRAND TOTAL	**4005000**	**100.00**

- Distribution of shareholding as on March 31, 2020:

Shareholding			Shareholders		No. of shares	
			Folios	% of total Nos.	Shares	% of total shares
Less than		500	3688	90.55	363729	9.08
501	To	1000	163	4.00	131085	3.27
1001	To	2000	88	2.16	134289	3.36
2001	To	3000	26	0.64	66941	1.67
3001	To	4000	17	0.42	62919	1.57
4001	To	5000	22	0.54	103392	2.58
5001	To	10000	39	0.96	288140	7.20
10001	And	above	30	0.73	2854505	71.27
Total			**4073**	**100.00**	**4005000**	**100.00**

- 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:

  During the financial year 2019-20, 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. The details of foreign currency exposure are disclosed in note no. 30 forming part of the financial statements.
- Transfer of Dividend to Investor Education and Protection Fund (IEPF):

  Pursuant to the provisions of Section 125 of the Companies Act, 2013 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 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 terms of 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 Authority.

  Pursuant to the above mentioned provisions, the unpaid/ unclaimed dividend of ₹ 2,12,940 for the financial year 2011-2012 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
2012-2013	17th September, 2013	50	16th October,2020
2013-2014	30th September, 2014	55	29th October, 2021
2014-2015	01st September, 2015	60	30th September, 2022
2015-2016	27th September, 2016	66	26th October, 2023
2016-2017	12th September, 2017	73	11th October, 2024
2017-2018	04th September, 2018	81	03rd October, 2025
2018-2019	26th September, 2019	90	25th October, 2026

Members who have not yet encashed their dividend warrants are requested to make their claims without any delays to the company.

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. www.mazdalimited.com.

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. www.mazdalimited.com.

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

In accordance with the provisions of Section 124(6) of the Companies Act, 2013, 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 7,222 Equity Shares to IEPF Authority corresponding to unclaimed dividend for the year 2011-12. The IEPF Authority holds 29,283 Equity Shares in the company as on 31st March, 2020. The list of the shareholders whose shares were transferred to IEPF is available on the website i.e. www.mazdalimited.com.

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.

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.

For and on behalf of the Board,

Place: Ahmedabad
Date: 29/06/2020

SORAB R. MODY
Managing Director

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 Managing Director; they have affirmed compliance with the Code of Conduct applicable to them in respect of the year ended 31st March, 2020.

Place : Ahmedabad
Date : 29/06/2020

Sorab. R. Mody
Managing Director

CERTIFICATION BY MANAGING 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 31st March, 2020 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 : 29/06/2020

Cyrus J. Bhagwagar
Chief Financial Officer

Sorab R. Mody
Managing Director

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 31st, 2020 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 ("Listing Regulations").
2. The compliance of conditions of corporate governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Corporate Governance Certificate issued by the Institute of Company Secretaries of India and was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. 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 and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, 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 31st March, 2020.
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.
5. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Rutul Shukla & Associates,
Company Secretaries

Place: Ahmedabad
Date : 29th June, 2020

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

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

I/ We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Mazda LimitedhavingCIN:L29120GJ1990PLC014293 and having registered office at C/1 39/13/16G I D C Naroda Ahmedabad- 382330, Gujarat, India (hereinafter referred to as 'the Company'), produced before me/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 my/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) as considered necessary and explanations furnished to me / 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 and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I/we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2020** 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
1.	Mr. Sorab Rattansha Mody	00498958
2.	Ms. Sheila Sorab Mody	00496561
3.	Ms. Shanaya Mody Khatua	01241585
4.	Mr. Percy Xerex Avari	00499114
5.	Ms. Houtoxi Contractor	00499260
6.	Mr. Samuel Wilbur Croll III	01407244
7.	Mr. Mohib Nomanbhai Khericha	00010365
8.	Mr. Saurin Vikrambhai Palkhiwala	03604769
9.	Mr. Nilesh Chandravadan Mankiwala	06927530

Ensuring the eligibility of 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 these 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.

For Rutul Shukla & Associates,
Company Secretaries

Rutul J. Shukla
FCS: 6776 (CP : 7470)
UDIN: F006776B000613591

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 31st, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the period then ended, and notes to the financial statements, including a summary of significant 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, 2020, its profit and total comprehensive income, changes in equity and its cash flows for the period 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 there under, 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.

Emphasis of Matter

We draw attention to Note 41 of the standalone financial statements, as regards the management's evaluation of COVID-19 impact on the future performance of the Company. Our opinion is not modified in respect of this matter.

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.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
1.	**Revenue recognition** (Refer notes 1.9 and 21 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.	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.
2.	**Existence and condition of inventories of raw materials, stock in process and finished goods** (Refer notes 10 to the Standalone Financial Statements) The Company has its inventories placed in the factories at various locations. The Company has a policy of performing physical verification of inventories across locations: • during the year at reasonable intervals, and • also as on / or near to the balance sheet date. On account of COVID-19 related lockdown restrictions, management was unable to perform year end physical verification of inventories and verification was carried out subsequently for some of the locations.	We have performed the following alternate audit procedures to audit the existence and condition of inventories as per the guidance provided in SA 501 "Audit Evidence - Specific Considerations for Selected Items", as at the year-end, since we were not able to physically observe the physical stock verification: • Understood and evaluated the management's internal control process to establish the existence and condition of inventories such as: a) the process of periodic physical verification carried out by the management, the scope and coverage of the periodic verification programme, the results of such verification including analysis and accounting of the discrepancies, if any; b) report of the Company's in-house team who physically verify the inventory of the Company at various locations.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
	Management has carried out other procedures to validate the existence and conditions of its inventory as at the year end, such as roll back procedures for inventories which were physically verified subsequent to year end and carrying out consumption analysis to determine the quantities of the inventory at the balance sheet date. We were not able to observe the physical verification of inventories that was carried out by the management subsequent to the year-end due to the COVID-19 related restrictions. In view of the foregoing, obtaining sufficient appropriate audit evidence regarding existence and condition of inventories as at the balance sheet date is identified as a key audit matter.	• Verified the stock movement analysis for the year in respect of key items of raw materials and finished goods at the factories to determine the quantities of inventory as at the balance sheet date. • Performed alternate procedures to audit the existence and condition of inventories, which includes inspection of supporting documentation relating to purchases, sales and production

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 Board's Report including Annexures to Board's Report, and Corporate Governance Report, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's 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, 2016 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the 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, and the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   d. In our opinion, the aforesaid standalone financial statements comply with the Ind As specified under Section 133 of the Act.
   e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 over financial reporting 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 over financial reporting.
   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 33 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.

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

M.S. SHAH
Partner
Membership No.044093
UDIN: 20044093AAAAAG9568

Place: Ahmedabad
Date: June 29, 2020

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)

i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets;

(b) The fixed assets 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 fixed assets 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) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. The inventory except goods-in-transit has been physically verified by the Management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For goods-in-transit at year end, relevant evidences have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of account.

iii. In our opinion and according to information & explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.Accordingly the provisions of Clause (iii) of paragraph 3 of the order are not applicable to the Company.

iv. In our opinion and according to information and explanations given to us, the Company has complied with provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.

v. According to the information and explanations given to us, the Company has not accepted any deposit nor has any unclaimed deposit within the meaning of the provisions of Sections 73 to 76 or any other relevant provision of the Act and the rules framed there under. Accordingly, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.

vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under subsection (1) of section 148 of the Act in respect of Company's products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the same.

vii. a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Goods and Service tax, Cess, and any other material statutory dues, as applicable, with the appropriate authorities.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Goods and Service tax, Cess and any other material statutory dues were in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.

c) 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 disputes are as follows:

Name of the Statute	Nature of the Dues	Amount (in Rs)	Period to which amount relates	Forum where dispute is pending
Income tax Act, 1961	Income Tax	10,612	F.Y. 2012-13	Assessing Officer
Service tax	Service Tax penalty	14,17,325	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 Sales tax, Excise Duty, Custom Duty, Value Added Tax, Goods and Service tax and Cess which have not been deposited with the appropriate authorities on account of any dispute.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company does not have any loans or borrowings from financial institutions or government and has not issued any debentures.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans taken by the Company have been applied for the purposes for which they were obtained.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of the Section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of Clauses (xii) of paragraph 3 of the Order are not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. In our opinion and according to the information and explanations given to us, 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 Clause (xv) of paragraph 3 of the Order are not applicable to the Company.

xvi. 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, Clause (xvi) of paragraph 3 of the Order is not applicable to the Company.

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

M.S. SHAH
Partner
Membership No.044093
UDIN: 20044093AAAAAG9568

Place: Ahmedabad
Date: June 29, 2020

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 under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of Mazda Limited (the "Company") as of 31st March 2020 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (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 Control over Financial Reporting 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. 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 Control over Financial Reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Control over Financial Reporting included obtaining an understanding of Internal Financial Control over Financial Reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Control system over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's Internal Financial Control over Financial Reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 over Financial Reporting

Because of the inherent limitations of Internal Financial Controls over Financial Reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls over Financial Reporting, to future periods are subject to the risk that Internal Financial Controls over Financial Reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the criteria for internal financial controls over financial reporting 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

M.S. SHAH
Partner
Membership No.044093
UDIN: 20044093AAAAAG9568

Place: Ahmedabad
Date: June 29, 2020

BALANCE SHEET AS AT 31ST MARCH, 2020

Particulars	Notes	AS AT 31st March, 2020 ₹	AS AT 31st March, 2019 ₹
ASSETS			
Non-current Assets			
Property, Plant and Equipment	2	30,64,50,279	30,87,89,255
Capital Work in Progress	2	17,04,06,270	7,70,88,822
Intangible Assets	3	1,67,27,845	2,83,61,402
Right of Use Assets	4	64,48,415	-
Financial Assets			
Investments	5	8,13,90,974	25,96,004
Loans	6	5,17,409	6,43,719
Other Financial Assets	7	1,18,75,470	1,00,90,767
Income Tax Assets (net)	8	-	92,67,916
Other Non-current Assets	9	4,58,05,684	6,39,31,320
		63,96,22,347	**50,07,69,205**
Current Assets			
Inventories	10	38,10,90,295	37,49,07,811
Financial Assets			
Investments	5	19,75,89,657	43,21,16,800
Trade Receivables	11	33,21,93,194	30,17,92,323
Cash and Cash Equivalents	12A	9,01,33,664	1,83,95,368
Other Balances with Banks	12B	54,40,634	2,77,74,724
Loans	6	3,47,977	2,33,367
Other Financial Assets	7	1,27,977	6,21,071
Other Current Assets	9	2,48,83,272	7,43,88,330
		1,03,18,06,671	**1,23,02,29,795**
TOTAL ASSETS		**1,67,14,29,018**	**1,73,09,99,000**
EQUITY			
Equity Share Capital	13A	4,00,50,000	4,25,80,000
Other Equity	13B	1,27,82,12,354	1,30,09,58,585
		1,31,82,62,354	**1,34,35,38,585**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	14	51,78,330	42,78,267
Lease Liabilities	39	28,50,487	-
Deferred Tax Liabilities (Net)	15	1,74,27,010	2,94,75,854
Provisions	16	38,22,001	-
		2,92,77,828	**3,37,54,121**
Current Liabilities			
Financial Liabilities			
Borrowings	14	-	1,26,05,455
Lease Liabilities	39	33,33,072	-
Trade Payables	17		
Due to Micro and Small Enterprises		1,11,70,549	2,25,79,848
Due to Others		17,67,13,710	21,02,30,396
Other Financial Liabilities	18	3,12,33,747	3,49,31,174
Other Current Liabilities	19	9,50,20,658	7,01,43,915
Provisions	16	52,30,048	32,15,507
Income tax liabilities (net)	20	11,87,052	-
		32,38,88,837	**35,37,06,294**
TOTAL EQUITY AND LIABILITIES		**1,67,14,29,018**	**1,73,09,99,000**
Significant Accounting Policies and key accounting estimates and judgements	1		
Notes are an integral part of the Financial Statements			

As per our report of even date attached
For MAYANK SHAH & ASSOCIATES
Chartered Accountants
(Firm Registration No. 106109W)
Sd/-
M. S. SHAH
Partner
Membership No. 044093
Ahmedabad
June 29, 2020

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

Sd/-
Sorab Mody
Managing Director
(DIN: 00498958)

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

Sd/-
Mohib Khericha
Chairman
(DIN: 00010365)

Sd/-
Cyrus Bhagwagar
Chief Financial Officer

Sd/-
Nishith Kayasth
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020

Particulars	Notes	Year 2019-20 ₹	Year 2018-19 ₹
REVENUE FROM OPERATIONS	21		
Revenue from Sale of Products		1,76,19,97,085	1,35,63,28,715
Revenue from Sale of Services		2,45,44,273	1,60,80,357
Other Operating Revenues		1,02,94,357	1,38,88,197
Other Income	22	1,71,55,516	3,48,16,499
TOTAL INCOME (I)		**1,81,39,91,230**	**1,42,11,13,767**
EXPENSES			
Cost of Materials Consumed	23	1,03,01,41,553	86,83,56,251
Changes in inventories of finished goods and work-in-progress	24	1,42,42,692	(11,14,01,759)
Employee Benefit Expenses	25	15,41,40,249	14,94,44,269
Finance Cost	26	94,37,392	75,58,318
Depreciation and Amortisation Expense	27	3,45,67,180	2,94,21,276
Other Expenses	28	34,72,06,792	29,23,99,296
TOTAL EXPENSES (II)		**1,58,97,35,857**	**1,23,57,77,650**
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (I - II)		**22,42,55,373**	**18,53,36,117**
Exceptional Items		-	-
PROFIT BEFORE TAX		**22,42,55,373**	**18,53,36,117**
Tax Expenses	29		
Current Tax		6,67,39,999	4,59,75,000
Deferred Tax		(1,16,01,264)	(53,26,559)
Tax in respect of earlier years		26,64,815	37,13,994
		5,78,03,550	**4,43,62,435**
PROFIT AFTER TAX		**16,64,51,823**	**14,09,73,683**
OTHER COMPREHENSIVE INCOME (OCI)			
Items that will not be reclassified to Profit or Loss			
(a)(i) Remeasurement benefit of defined benefit plans		(17,78,372)	(15,09,400)
(ii) Income tax benefit/(expense) on remeasurement of defined benefit plans		4,47,581	4,39,537
(b)(i) Net fair value gain/(loss) on investments in equity instruments through OCI		(75,458)	(93,751)
(ii) Income tax benefit/(expense) on investments in equity instruments through OCI		-	-
TOTAL OTHER COMPREHENSIVE INCOME		**(14,06,249)**	**(11,63,614)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**16,50,45,573**	**13,98,10,069**
Earnings per equity share (Face value of ₹ 10 each)	36		
1) Basic (in ₹)		41.46	33.11
2) Diluted (in ₹)		41.46	33.11
Significant Accounting Policies and key accounting estimates and judgements	1		
Notes are an integral part of the Financial Statements			

As per our report of even date attached
For MAYANK SHAH & ASSOCIATES
Chartered Accountants
(Firm Registration No. 106109W)

Sd/-
M. S. SHAH
Partner
Membership No. 044093

Ahmedabad
June 29, 2020

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

Sd/-
Sorab Mody
Managing Director
(DIN: 00498958)

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

Sd/-
Mohib Khericha
Chairman
(DIN: 00010365)

Sd/-
Cyrus Bhagwagar
Chief Financial Officer

Sd/-
Nishith Kayasth
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

(A) EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
Balance at the beginning of the Reporting period	4,25,80,000	4,25,80,000
Changes in Equity Share capital during the year (Refer Note 13A on Buy Back)	(25,30,000)	-
Balance at the end of the reporting period	4,00,50,000	4,25,80,000

(B) OTHER EQUITY

OTHER EQUITY	Reserves & Surplus						
	Capital Reserve ₹	Security Premium Reserve ₹	Capital Redemption Reserve ₹	General Reserve ₹	Retained earnings ₹	Equity Instrument through OCI ₹	Total ₹
Balance as at April 1, 2018 (A)	**4,24,937**	**3,00,00,000**	**41,68,000**	**11,20,10,750**	**1,05,69,17,146**	**10,59,006**	**1,20,45,79,839**
Addition during the year:							
Profit for the period	-	-	-	-	14,09,73,683	-	14,09,73,683
Items of OCI for the year, net of tax-							
Remeasurement benefit of defined benefit plans	-	-	-	-	(10,69,863)	-	(10,69,863)
Net fair value loss on investment in equity instruments through OCI	-	-	-	-	-	(93,751)	(93,751)
Total Comprehensive Income for the year 2018-19 (B)	**-**	**-**	**-**	**-**	**13,99,03,820**	**(93,751)**	**13,98,10,069**
Reductions during the year :							
Dividends (Refer Note 32)	-	-	-	-	(3,44,89,800)	-	(3,44,89,800)
Income tax on dividend (Refer Note 32)	-	-	-	-	(70,89,480)	-	(70,89,480)
Expenses for Buy back of equity shares	-	-	-	-	(18,52,043)	-	(18,52,043)
Total (C)	-	-	-	-	(4,34,31,323)	-	(4,34,31,323)
Balance as at 31st March 2019 (D)=(A+B+C)	**4,24,937**	**3,00,00,000**	**41,68,000**	**11,20,10,750**	**1,15,33,89,643**	**9,65,255**	**1,30,09,58,585**
Addition during the year:							
Profit for the period	-	-	-	-	16,64,51,823	-	16,64,51,823
Items of OCI for the year, net of tax-							
Remeasurement benefit of defined benefit plans	-	-	-	-	(13,30,791)	-	(13,30,791)
Net fair value loss on investment in equity instruments through OCI	**-**	**-**	**-**	**-**	**-**	(75,458)	(75,458)
Total Comprehensive Income for the year 2019-20(E)	**-**	**-**	**-**	**-**	**16,51,21,031**	**(75,458)**	**16,50,45,573**
Reductions during the year:							
Dividends (Refer Note 32)	-	-	-	-	(6,60,82,500)	-	(6,60,82,500)
Income tax on dividend (Refer Note 32)	-	-	-	-	(1,35,83,452)	-	(1,35,83,452)
Buy back of equity shares (Refer Note 13A)	-	(3,00,00,000)	25,30,000	(7,92,20,406)	-	-	(10,66,90,406)
Expenses for Buy back of equity shares (Refer Note 13A)	-	-	-	-	(14,35,446)	-	(14,35,446)
Total (F)	**-**	**(3,00,00,000)**	**25,30,000**	**(7,92,20,406)**	**(8,11,01,398)**	**-**	**(18,77,91,804)**
Balance as at 31st March, 2020 (G)=(D+E+F)	**4,24,937**	**-**	**66,98,000**	**3,27,90,344**	**1,23,74,09,276**	**8,89,797**	**1,27,82,12,354**

As per our report of even date attached
For MAYANK SHAH & ASSOCIATES
Chartered Accountants
(Firm Registration No. 106109W)

Sd/-
M. S. SHAH
Partner
Membership No. 044093

Ahmedabad
June 29, 2020

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

Sd/-
Sorab Mody
Managing Director
(DIN: 00498958)

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

Sd/-
Mohib Khericha
Chairman
(DIN: 00010365)

Sd/-
Cyrus Bhagwagar
Chief Financial Officer

Sd/-
Nishith Kayasth
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

	Particulars	Year 2019-20 ₹	Year 2018-19 ₹
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit Before tax	22,42,55,373	18,53,36,117
	Adjustment for :		
	Finance Costs	94,37,392	75,58,318
	Depreciation and Amortisation	3,45,67,180	2,94,21,276
	Interest/Dividend received	(5,30,540)	(2,74,644)
	Net (Gain) on sale of investment measured at FVTPL	(7,21,694)	(21,48,964)
	Net (Gain) on fair valuation of investment at FVTPL	(79,35,727)	(2,63,57,170)
	Net unrealised exchange (gain) / loss	(34,41,746)	5,15,405
	Bad Debts written off / (Liabilities/provisions) written back	94,60,257	(3,28,848)
	(Profit)/Loss on Sale of property, plant and equipment (Net)	29,756	1,35,580
	Operating Profit before Working Capital Changes	**26,51,20,251**	**19,38,57,070**
	Adjustment for :		
	(Increase) / Decrease in Trade Receivables	(3,61,60,332)	(5,38,69,918)
	(Increase) / Decrease in Other Financial Assets	(9,67,687)	(12,21,542)
	(Increase) / Decrease in Inventories	(61,82,484)	(17,90,27,585)
	(Increase) / Decrease in Other assets	8,75,56,502	(9,60,06,318)
	Increase / (Decrease) in Trade payables	(4,55,51,822)	9,48,31,270
	Increase / (Decrease) in other financial liabilities	(1,05,35,156)	69,72,141
	Increase / (Decrease) in Provisions	40,58,170	2,97,275
	Increase / (Decrease) in other liabilities	2,48,76,743	3,54,33,638
	Cash generated from Operations activities	**28,22,14,185**	**12,66,030**
	Direct Taxes (Paid)/Net of Refund	(5,89,49,846)	(5,21,68,105)
	Net Cash from/(used) in Operating Activities (A)	**22,32,64,340**	**(5,09,02,075)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchases of Property, Plant and equipment including Capital Work in Progress and capital advances	(12,76,82,311)	(6,70,47,054)
	Proceeds from sale of property, plant and equipment (Net)	66,000	2,92,513
	Interest/Dividend received	2,18,318	2,74,644
	Purchases of Investments	(16,00,00,000)	(19,00,79,960)
	Sale of Investments	32,43,14,135	35,48,68,818
	(Increase) / Decrease in Other Bank Balances	-	(72,207)
	Net Cash from Investing Activities (B)	**3,69,16,142**	**9,82,36,754**

	Particulars	Year 2019-20 ₹	Year 2018-19 ₹
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Increase / (Decrease) of Short Term Borrowings, net	(1,26,05,455)	(1,41,10,527)
	Increase / (Decrease) of Long Term Borrowings, net	14,91,111	42,78,267
	Principal Payment of lease liabilities	(30,91,176)	-
	Interest paid on lease liabilities	(9,60,324)	-
	Other Finance cost paid	(84,77,068)	(75,58,318)
	Dividend Paid	(6,60,82,500)	(3,44,89,800)
	Corporate dividend tax paid	(1,35,83,452)	(70,89,480)
	Expenses relating to buy-back of equity shares	(14,35,446)	(18,52,043)
	Buyback of Equity Share Capital	(10,92,20,406)	-
	Bank deposit in escrow account	2,54,84,242	(2,54,84,242)
	Net Cash (used) in Financing Activities (C)	**(18,84,80,473)**	**(8,63,06,143)**
	NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	**7,17,00,009**	**(3,89,71,464)**
	Cash & Cash Equivalents at the beginning of the year	1,83,95,368	5,73,90,375
	Unrealised Gain/(Loss) on foreign currency Cash and Cash Equivalents	38,287	(23,543)
	Cash & Cash Equivalents at the end of the year	**9,01,33,664**	**1,83,95,368**

Notes :

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

Particulars	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
Balance with Banks:		
- Current Accounts	8,81,44,465	1,05,59,966
- Exchange Foreign Currency Account	16,18,706	69,40,437
Cash on hand	3,70,492	8,94,965
Cash and Cash Equivalent in Cash Flow Statement	**9,01,33,664**	**1,83,95,368**

(b) The above Cash Flow Statement 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)

Sd/-
M. S. SHAH
Partner
Membership No. 044093

Ahmedabad
June 29, 2020

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

Sd/-
Sorab Mody
Managing Director
(DIN: 00498958)

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

Sd/-
Mohib Khericha
Chairman
(DIN: 00010365)

Sd/-
Cyrus Bhagwagar
Chief Financial Officer

Sd/-
Nishith Kayasth
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

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 Vaccum Products, Evaporators, pollution Control Equipments and Manufacturing of Food Product 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 Limited (NSE).

1. SIGNIFICANT 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 except as mentioned in Note 1.5.

(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 recognised in the period in which the results are known/materialised.

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.

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.

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 non refundable 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

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 recognised at cost. Intangible assets are recognised 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 Year
Licenses & Commercial Rights	7 Year

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.

Research and Development

Expenditure on research is recognised as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognised as an expense when it is incurred.

Items of property, plant and equipment and acquired Intangible Assets utilized for Research and Development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

1.4. Impairment

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired.

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.

1.5. Lease

The Company has applied the Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019. Accordingly the Company has adopted Ind AS 116 "Leases" using the modified retrospective approach with effect from initially applying this standard from 1st April 2019. Accordingly, the information presented for previous year ended 31st March 2019, is not restated and reported as per Ind AS 17.

Assets taken on lease

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 recognises 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 recognises 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 recognised 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 recognise 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 recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

1.6. 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 recognised 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 amortised 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 amortised cost

This category generally applies to trade and other receivables.

A financial asset is measured at amortised 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 amortised cost using the effective interest rate (EIR) method.

Amortised 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 amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

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, recognised 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.

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 amortised 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 analysed.

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

All financial liabilities are recognised 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 amortised 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 recognised 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 recognised initially at fair value and subsequently measured at amortised 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:

(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 suficient 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 categorised 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.

1.7. 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 recognised 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

1.8. 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.

1.9. 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.

Interest and dividends

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

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.

1.10. 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 38 for segment related information.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

1.11. Borrowing Costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

1.12. 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.

1.13. 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 recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised 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.

1.14. 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.

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. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

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. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

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.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

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.

1.15. 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.

1.16. 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 recognised as an expense as the related service is rendered by employees.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(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 recognised in the Statement of Profit and Loss.

(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 super annuation 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 Life Insurance Corporation of India (LIC).

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 LIC within the next twelve months.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

1.17. 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.

1.18. 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.

1.19. 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 29).

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 35, 'Employee benefits'.

Fair value measurement of Financial Instruments

When the fair values of financials 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 cash flow model, which involve various judgments and assumptions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 2 : PROPERTY, PLANT AND EQUIPMENT

(Amount in ₹)

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Balance as at April 1, 2019	Additions during the year	Deductions during the year	Balance as at March 31, 2020	Balance as at April 1, 2019	Depreciation during the year	Deductions during the year	Balance as at March 31, 2020	Balance as at March 31, 2020	Balance as at March 31, 2019
Land	11,43,43,750	-	-	11,43,43,750	-	-	-	-	11,43,43,750	11,43,43,750
Buildings	15,40,55,523	59,78,908	-	16,00,34,431	3,97,96,258	40,25,993	-	4,38,22,251	11,62,12,180	11,42,59,265
Plant and Machineries	13,17,25,936	50,43,736	-	13,67,69,672	7,06,24,586	1,05,79,437	-	8,12,04,023	5,55,65,649	6,11,01,350
Furniture, Fixtures	1,68,92,995	9,54,615	-	1,78,47,610	1,31,79,157	6,81,698	-	1,38,60,855	39,86,755	37,13,838
Vehicles	1,73,88,158	30,68,752	19,15,203	1,85,41,707	94,34,827	12,07,376	18,19,443	88,22,760	97,18,947	79,53,331
Office Equipment	1,10,06,717	3,42,466	-	1,13,49,183	94,37,282	4,51,214	-	98,88,496	14,60,687	15,69,435
Computers	1,84,10,315	3,78,107	-	1,87,88,422	1,61,66,001	8,58,135	-	1,70,24,136	17,64,286	22,44,314
Patterns	6,46,989	-	-	6,46,989	2,05,334	39,851	-	2,45,185	4,01,804	4,41,655
Electrical Installation	1,61,38,552	5,46,752	-	1,66,85,304	1,29,76,235	7,12,846	-	1,36,89,081	29,96,223	31,62,317
Total Property, Plant & Equipment	**48,06,08,935**	**1,63,13,336**	**19,15,203**	**49,50,07,068**	**17,18,19,680**	**1,85,56,551**	**18,19,443**	**18,85,56,788**	**30,64,50,279**	**30,87,89,255**
Capital Work-In-Progress	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**17,04,06,270**	**7,70,88,822**

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Balance as at April 1, 2018	Additions during the year	Deductions during the year	Balance as at March 31, 2019	Balance as at April 1, 2018	Depreciation during the year	Deductions during the year	Balance as at March 31, 2019	Balance as at March 31, 2019	Balance as at March 31, 2018
Land	11,43,43,750	-	-	11,43,43,750	-	-	-	-	11,43,43,750	11,43,43,750
Buildings	15,15,10,245	25,45,278	-	15,40,55,523	3,62,50,456	35,45,802	-	3,97,96,258	11,42,59,265	11,52,59,789
Plant and Machineries	12,42,88,143	91,54,640	17,16,847	13,17,25,936	6,06,75,141	1,12,40,749	12,91,304	7,06,24,586	6,11,01,350	6,36,13,002
Furniture, Fixtures	1,63,80,584	5,12,411	-	1,68,92,995	1,24,38,284	7,40,873	-	1,31,79,157	37,13,838	39,42,300
Vehicles	97,92,098	75,96,060	-	1,73,88,158	85,94,086	8,40,741	-	94,34,827	79,53,331	11,98,012
Office Equipment	1,07,83,933	2,73,784	51,000	1,10,06,717	90,31,454	4,54,278	48,450	94,37,282	15,69,435	17,52,479
Computers	1,73,44,480	10,65,835	-	1,84,10,315	1,52,85,466	8,80,535	-	1,61,66,001	22,44,314	20,59,014
Patterns	6,46,989	-	-	6,46,989	1,65,483	39,851	-	2,05,334	4,41,655	4,81,506
Electrical Installation	1,59,95,297	1,43,255	-	1,61,38,552	1,22,01,551	7,74,684	-	1,29,76,235	31,62,317	37,93,746
Total Property, Plant & Equipment	**46,10,85,519**	**2,12,91,263**	**17,67,847**	**48,06,08,935**	**15,46,41,921**	**1,85,17,513**	**13,39,754**	**17,18,19,680**	**30,87,89,255**	**30,64,43,598**
Capital Work-In-Progress	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7,70,88,822**	**3,72,14,787**

(i) The amount of contractual commitments for the acquisition of property, plant and equipment is disclosed in Note 33 (b).

(ii) Information on property, plant and equipment Pledge/Hypothecation as security by the company (Refer Note 14).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 3 : INTANGIBLE ASSETS

(Amount in ₹)

Particulars	Gross Carrying Value				Accumulated Amortisation				Net Carrying Value	
	Balance as at April 1, 2019	Additions during the year	Deductions during the year	Balance as at March 31, 2020	Balance as at April 1, 2019	Amortisation during the year	Deductions during the year	Balance as at March 31, 2020	Balance as at March 31, 2020	Balance as at March 31, 2019
Computer software	1,28,13,776	3,62,500	-	1,31,76,276	1,10,46,490	9,68,849	-	1,20,15,339	11,60,937	17,67,286
Licenses & Commercial Rights	6,31,03,100	-	-	6,31,03,100	3,65,08,984	1,10,27,208	-	4,75,36,192	1,55,66,908	2,65,94,116
Total Intangible Assets	**7,59,16,876**	**3,62,500**	**-**	**7,62,79,376**	**4,75,55,474**	**1,19,96,057**	**-**	**5,95,51,531**	**1,67,27,845**	**2,83,61,402**

Particulars	Gross Carrying Value				Accumulated Amortisation				Net Carrying Value	
	Balance as at April 1, 2018	Additions during the year	Deductions during the year	Balance as at March 31, 2019	Balance as at April 1, 2018	Amortisation during the year	Deductions during the year	Balance as at March 31, 2019	Balance as at March 31, 2019	Balance as at March 31, 2018
Computer software	1,16,99,771	11,14,005	-	1,28,13,776	98,23,767	12,22,723	-	1,10,46,490	17,67,286	18,76,004
Licenses & Commercial Rights	6,31,03,100	-	-	6,31,03,100	2,68,27,944	96,81,040	-	3,65,08,984	2,65,94,116	3,62,75,156
Total Intangible Assets	**7,48,02,871**	**11,14,005**	**-**	**7,59,16,876**	**3,66,51,711**	**1,09,03,763**	**-**	**4,75,55,474**	**2,83,61,402**	**3,81,51,160**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note : 4 Right of Use Assets **(Amount In ₹)**

RIGHT OF USE ASSETS	Building
COST	
At 1st April, 2019	-
Recognition on transition to Ind AS 116 (Refer Note 39)	1,04,62,987
At 31st March, 2020	**1,04,62,987**
ACCUMULATED DEPRECIATION	
At 1st April, 2019	-
Depreciation Expense	40,14,572
At 31st March, 2020	**40,14,572**
Net carrying value as at 31 March, 2020	**64,48,415**

NOTE 5 : INVESTMENTS **(Amount In ₹)**

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Non-Current Investments		
(A) Investments in Equity Instruments at fair value through Other Comprehensive Income (FVTOCI)		
Quoted Equity Shares		
Chartered Capital and Investment Limited (Face Value of ₹ 10 Each) (Nos: CY : 45,732; PY : 45,732)	25,17,546	25,93,004
Total Quoted Equity Shares	**25,17,546**	**25,93,004**
(B) Investments in Equity Instruments at fair value through profit & Loss Account (FVTPL)		
Unquoted Equity Shares		
Bombay Mercantile Co-Op Banks Ltd (Nos: CY : 100; PY : 100)	3,000	3,000
Total Unquoted Equity Shares	**3,000**	**3,000**
Total Investments in Equity Instruments	**25,20,546**	**25,96,004**
(C) Investments in Mutual Funds at fair value through Profit & Loss Account (FVTPL)		
Quoted Mutual Funds *		
Units of ₹ 10 Each , unless otherwise specified		
Franklin India Credit Risk Fund Growth(Nos: CY : 94,84,978; PY : 0)	4,43,35,394	-
Franklin India Dynamic Accrual Growth(Nos: CY : 25,78,774 ; PY : 0)	3,45,35,034	-
Total Investments in Mutual Funds -Quoted	**7,88,70,428**	**-**
Total (A+B+C)	**8,13,90,974**	**25,96,004**
Aggregate amount of Unquoted Investments -At Cost	**3,000**	**3,000**
Aggregate amount of Quoted Investments -At Cost	**7,16,27,749**	**16,27,749**
Aggregate amount of Quoted Investments -At Market Value	**8,13,87,974**	**25,93,004**

* Franklin Templeton Mutual Fund have issued notice dated 23/04/2020 that Franklin Templeton Trustee Services Private Limited has decided to wind up Franklin India Credit Risk Fund & Franklin India Dynamic Accrual Fund pursuant to the provisions of regulation 39(2)(a) of the SEBI (Mutual Fund) Regulations, 1996 (Mutual Fund Regulations).Pursuant to Regulation 40 of the SEBI (Mutual Funds) Regulations, 1996 on and from April 24,2020 the Trustee and the AMC have: (a) ceased to carry on any business activity in respect of the Schemes; (b) ceased to create or cancel units in the Schemes;(c) ceased to issue or redeem units in the Schemes and therefore the Company has classified the same as Non Current Investments. There is no difference between NAV on the year end and the date of signing balance sheet and therefore the same has been valued at the year end NAV.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(Amount In ₹)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Current Investments		
Investments in Mutual Funds at fair value through Profit & Loss Account (FVTPL)		
Quoted Mutual Funds		
Units of ₹ 10 Each , unless otherwise specified		
Baroda Pioneer Credit Opp. Fund Plan A-G (Nos: CY : 0; PY : 24,61,538)	-	3,50,65,846
Birla Sunlife Corporate Bond Fund (Nos: CY : 0; PY : 49,91,278)	-	6,82,27,778
BSL Corporate Bond Fund Account (Nos: CY : 33,85,642; PY : 16,92,821)	2,44,77,850	2,31,39,844
Franklin India Credit Risk Fund Growth(Nos: CY : 0; PY : 41,73,072)	-	8,17,04,580
Franklin India Dynamic Accrual Growth(Nos: CY : 0; PY : 7,15,350)	-	4,76,90,592
HDFC Equity Savings (Nos: CY : 0; PY : 5,98,193)	-	2,20,10,528
Reliance Credit Risk Fund - Growth Plan(Nos: CY : 0; PY : 21,15,343)	-	5,45,09,439
L & T Income Opportunities Fund(Nos: CY : 0; PY : 12,48,954)	-	2,63,29,199
SBI Corporate Bond Funds (Against Bank Guarantee Lien) (Nos: CY : 10,52,259; PY : 10,52,259)	3,33,62,516	3,14,13,416
SBI saving Fund Regular Growth (Nos: CY : 0; PY : 3,45,590)	-	1,00,00,000
ICICI Prudential Credit Risk Fund-Growth (Nos: CY : 16,13,014; PY : 16,13,014)	3,50,79,497	3,20,25,578
ICICI Prudential Liquid Fund (Nos: CY : 3,48,693; PY : 0)	10,46,69,794	-
Total Investments in Mutual Funds -Quoted	**19,75,89,657**	**43,21,16,800**
Aggregate amount of Quoted Investments -At Cost	**17,62,14,794**	**36,00,79,961**
Aggregate amount of Quoted Investments -At Market Value	**19,75,89,657**	**43,21,16,800**

Refer Note 30 for information about fair value measurement, credit risk and market risk of investments.

NOTE 6 : LOANS (Amount In ₹)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Non current loans		
Unsecured and Considered good		
Loan to Employees	5,17,409	6,43,719
TOTAL	**5,17,409**	**6,43,719**
Current loans		
Unsecured and Considered good		
Loan to Employees	3,47,977	2,33,367
TOTAL	**3,47,977**	**2,33,367**

Refer Note 30 for information about credit risk and market risk for loans.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 7 : OTHER FINANCIAL ASSETS (Amount In ₹)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Other Non Current Financial Assets		
Unsecured and Considered good		
Security Deposits with Related Parties (Refer Note 37)	43,79,116	40,73,596
Other Deposits	74,96,354	60,17,171
TOTAL	**1,18,75,470**	**1,00,90,767**
Other Current Financial Assets		
Foreign exchange forward contracts	-	4,99,796
Interest accrued on deposits	1,27,977	1,21,275
TOTAL	**1,27,977**	**6,21,071**

NOTE 8 : INCOME TAX ASSETS (NET) (Amount In ₹)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Advance Payment of Income Tax (Net of Provisions)	-	92,67,916
TOTAL	**-**	**92,67,916**

NOTE 9 : OTHER ASSETS (Amount In ₹)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Other Non Current Assets		
Capital advances	4,55,53,311	2,47,67,751
Prepaid Expenses	2,52,373	3,47,545
Equity Shares Buy Back	-	3,82,59,713
Prepaid Rent	-	5,56,311
TOTAL	**4,58,05,684**	**6,39,31,320**
Other Current Assets		
Advances to employees	73,611	46,475
Advance to Suppliers	1,56,93,322	2,75,84,613
Prepaid Expenses	36,59,278	42,57,851
Prepaid Rent	-	3,03,441
Balance with Statutory Authorities	43,16,560	3,93,75,391
Export Incentive Receivable	11,40,502	28,20,560
TOTAL	**2,48,83,272**	**7,43,88,330**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 10 : INVENTORIES (At lower of cost or net realisable value) **(Amount In ₹)**

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Raw Materials and Packing Materials	17,76,04,745	15,95,01,397
Work-in-Progress	11,02,20,466	16,48,20,076
Finished Goods	6,01,55,183	4,07,55,632
Finished Goods in Transit	2,63,88,386	54,31,019
Stores and Spares	67,21,515	43,99,687
TOTAL	**38,10,90,295**	**37,49,07,811**

NOTE 11 : TRADE RECEIVABLES **(Amount In ₹)**

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Secured, considered good	-	-
Unsecured, considered good	33,21,93,194	30,17,92,323
Unsecured, considered doubtful	-	-
	33,21,93,194	30,17,92,323
Less: Allowances for unsecured doubtful debts	-	-
TOTAL	**33,21,93,194**	**30,17,92,323**

Refer note 30 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.

NOTE 12A : CASH AND BANK BALANCES **(Amount In ₹)**

PARTICULARS	As at 31st March 2020	As at 31st March 2019
(a) Balances with Banks		
(i) Current Accounts	8,81,44,465	1,05,59,966
(ii) Exchange Earners Foreign Currency Account	16,18,706	69,40,437
(b) Cash on hand	3,70,492	8,94,965
TOTAL	**9,01,33,664**	**1,83,95,368**

NOTE 12B : Other Balances with Banks **(Amount In ₹)**

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Unpaid Dividend Account	54,40,634	22,90,482
Balance in escrow account for buyback of shares	-	2,54,84,242
TOTAL	**54,40,634**	**2,77,74,724**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 13A : EQUITY SHARE CAPITAL **(Amount In ₹)**

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Authorised		
50,00,000 Equity Shares of ₹ 10 each	5,00,00,000	5,00,00,000
	5,00,00,000	**5,00,00,000**
Issued, Subscribed and Fully Paid up Capital		
42,58,000 Equity Shares of ₹ 10 each fully paid	4,25,80,000	4,25,80,000
Changes in Share Capital during the year*	(25,30,000)	-
	4,00,50,000	**4,25,80,000**

*The Board of Directors of the Company, at its meeting held on March 06, 2019, have approved Buy- back of fully paid up Equity Shares of face value of ₹ 10 each for an aggregate amount not exceeding ₹ 11 Cores (Rupees Eleven Cores only) at a price not exceeding ₹ 550/- (Rupees Five Hundred Fifty only) per Equity Shares from the shareholders of the Company via the "open market" route through the stock exchanges under the SEBI Buy-back Regulations 2018 and the Companies Act, 2013 (as amended from time to time).

The Company has purchased from open market through Stock Exchanges 90,685 Equity Shares up to March 31, 2019 & 1,62,315 Equity Shares up to April 22, 2019 totaling 2,53,000 Euity Shares which were extinguished in terms of Regulation 21 read with Regulation 11 of the SEBI Buy Back Regulations, 2018. The extinguishment of equity shares as of March 31, 2020 has resulted in change of 5.94 % in the paid up capital of the Company. Capital Redemption Reserve was created to the extent of Share Capital extinguished(₹ 25,30,000). The excess of cost of buy-back of ₹ 10,66,90,406 over face value of shares was adjusted from Security Premium Reserve ₹ 3,00,00,000 & from General Reserve ₹ 7,92,20,406.The transaction cost of buy-back of ₹ 14,35,446 was offset from Retained Earnings.

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

PARTICULARS	As at 31st March 2020		As at 31st March 2019	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	42,58,000	4,25,80,000	42,58,000	4,25,80,000
Add: Issued during the year	-	-	-	-
Less: Bought back during the year	(2,53,000)	(25,30,000)	-	-
At the end of the year	**40,05,000**	**4,00,50,000**	**42,58,000**	**4,25,80,000**

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 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 2020		As at 31st March 2019	
	No. of Shares	% held	No. of Shares	% held
Equity Shares				
Sorab R. Mody	13,21,270	32.99	12,94,656	30.41
Shanaya Mody Khatua	4,25,622	10.63	4,25,622	10.00
Croll Reynolds International Inc.	2,89,500	7.23	2,89,500	6.80

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 13B : OTHER EQUITY

(Amount In ₹)

OTHER EQUITY	Reserves & Surplus						
	Capital Reserve ₹	Security Premium Reserve ₹	Capital Redemption Reserve ₹	General Reserve ₹	Retained earnings ₹	Equity Instrument through OCI ₹	Total ₹
Balance as at April 1, 2018 (A)	**4,24,937**	**3,00,00,000**	**41,68,000**	**11,20,10,750**	**1,05,69,17,146**	**10,59,006**	**1,20,45,79,839**
Addition during the year:							
Profit for the period	-	-	-	-	14,09,73,683	-	14,09,73,683
Items of OCI for the year, net of tax-							
Remeasurement benefit of defined benefit plans	-	-	-	-	(10,69,863)	-	(10,69,863)
Net fair value loss on investment in equity instruments through OCI	-	-	-	-	-	(93,751)	(93,751)
Total Comprehensive Income for the year 2018-19 (B)	**-**	**-**	**-**	**-**	**13,99,03,820**	**(93,751)**	**13,98,10,069**
Reductions during the year :							
Dividends (Refer Note 32)	-	-	-	-	(3,44,89,800)	-	(3,44,89,800)
Income tax on dividend (Refer Note 32)	-	-	-	-	(70,89,480)	-	(70,89,480)
Expenses for Buy back of equity shares	-	-	-	-	(18,52,043)	-	(18,52,043)
Total (C)	-	-	-	-	(4,34,31,323)	-	(4,34,31,323)
Balance as at 31st March 2019 (D)=(A+B+C)	**4,24,937**	**3,00,00,000**	**41,68,000**	**11,20,10,750**	**1,15,33,89,643**	**9,65,255**	**1,30,09,58,585**
Addition during the year:							
Profit for the period	-	-	-	-	16,64,51,823	-	16,64,51,823
Items of OCI for the year, net of tax-							
Remeasurement benefit of defined benefit plans	-	-	-	-	(13,30,791)	-	(13,30,791)
Net fair value loss on investment in equity instruments through OCI	**-**	**-**	**-**	**-**	**-**	(75,458)	(75,458)
Total Comprehensive Income for the year 2019-20(E)	**-**	**-**	**-**	**-**	**16,51,21,031**	**(75,458)**	**16,50,45,573**
Reductions during the year:							
Dividends (Refer Note 32)	-	-	-	-	(6,60,82,500)	-	(6,60,82,500)
Income tax on dividend (Refer Note 32)	-	-	-	-	(1,35,83,452)	-	(1,35,83,452)
Buy back of equity shares (Refer Note 13A)	-	(3,00,00,000)	25,30,000	(7,92,20,406)	-	-	(10,66,90,406)
Expenses for Buy back of equity shares (Refer Note 13A)	-	-	-	-	(14,35,446)	-	(14,35,446)
Total (F)	**-**	**(3,00,00,000)**	**25,30,000**	**(7,92,20,406)**	**(8,11,01,398)**	**-**	**(18,77,91,804)**
Balance as at 31st March, 2020 (G)=(D+E+F)	**4,24,937**	**-**	**66,98,000**	**3,27,90,344**	**1,23,74,09,276**	**8,89,797**	**1,27,82,12,354**

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, 2013.

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

Securities premium reserve - Securities premium reserve is used to record the premium on issue of shares. These reserve is utilised in accordance with the provisions of the Companies Act, 2013.

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, 2020

NOTE 14 : BORROWINGS* **(Amount In ₹)**

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Non Current Borrowings		
Secured Loan		
Term Loans		
From Banks	51,78,330	42,78,267
TOTAL	**51,78,330**	**42,78,267**
Current maturities of long term borrowings (Refer Note 18)	**16,21,042**	**10,29,994**
Current Borrowings		
Secured Borrowings From Banks:		
Packing Credit Facilities (PCFC) (Note 13)	-	1,26,05,455
TOTAL	**-**	**1,26,05,455**

*Refer Note 30 for information about liquidity risk.

Notes:

1. Term Loan of ₹ 5.62 lacs (31st March 2019 ₹ 7.05 lacs) is secured by Hypothecation on the Vehicle of the company repayable 60 Monthly Installments starting From July, 2018. Last Installment due in June,2023. Rate of interest 8.75 % p.a. as at year end. (31st March 2019 8.75% p.a.)
2. Term Loan of ₹ 6.84 lacs (31st March 2019 ₹ 8.58 lacs) is secured by Hypothecation on the Vehicle of the company repayable 60 Monthly Installments starting From July, 2018. Last Installment due in June,2023. Rate of interest 8.75 % p.a. as at year end. (31st March 2019 8.75% p.a.)
3. Term Loan of ₹ 6.72 lacs (31st March 2019 ₹ 8.43 lacs) is secured by Hypothecation on the Vehicle of the company repayable 60 Monthly Installments starting From July, 2018. Last Installment due in June,2023. Rate of interest 8.75 % p.a. as at year end. (31st March 2019 8.75% p.a.)
4. Term Loan of ₹ 6.65 lacs (31st March 2019 ₹ 8.25 lacs) is secured by Hypothecation on the Vehicle of the company repayable 60 Monthly Installments starting From September, 2018. Last Installment due in August,2023. Rate of interest 8.75 % p.a. as at year end. (31st March 2019 8.75 % p.a.)
5. Term Loan of ₹ 4.14 lacs (31st March 2019 ₹ 4.97 lacs) is secured by Hypothecation on the Vehicle of the company repayable 60 Monthly Installments starting From March, 2019. Last Installment due in February,2024. Rate of interest 8.75 % p.a. as at year end. (31st March 2019 8.75% p.a.)
6. Term Loan of ₹ 6.37 lacs (31st March 2019 ₹ 7.90 lacs) is secured by Hypothecation on the Vehicle of the company repayable 60 Monthly Installments starting From September, 2018. Last Installment due in August,2023. Rate of interest 8.75 % p.a. as at year end. (31st March 2019 8.75% p.a.)
7. Term Loan of ₹ 6.37 lacs (31st March 2019 ₹ 7.90 lacs) is secured by Hypothecation on the Vehicle of the company repayable 60 Monthly Installments starting From September, 2018. Last Installment due in August,2023. Rate of interest 8.75 % p.a. as at year end. (31st March 2019 8.75% p.a.)
8. Term Loan of ₹ 7.37 lacs (31st March 2019 ₹ Nil) is secured by Hypothecation on the Vehicle of the company repayable 60 Monthly Installments starting From November, 2019. Last Installment due in October,2024. Rate of interest 9.75% p.a. as at year end.
9. Term Loan of ₹ 8.81 lacs (31st March 2019 ₹ Nil) is secured by Hypothecation on the Vehicle of the company repayable 60 Monthly Installments starting From October, 2019. Last Installment due in September,2024. Rate of interest 9.60% p.a. as at year end.
10. Term Loan of ₹ 9.11 lacs (31st March 2019 ₹ Nil) is secured by Hypothecation on the Vehicle of the company repayable 60 Monthly Installments starting From April, 2020. Last Installment due in March,2025. Rate of interest 9.35% p.a. as at year end.
11. Installments falling due in respect of all the above Loans upto 31/03/2021 have been grouped under “Current maturities of long-term debt”.
12. The Company has not defaulted in the repayment of loans & interest in current and previous year.
13. 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 equitable mortgage of Land and Building situated at Naroda and co-lateral security of premise owned by Mr. S.R. Mody, situated at Odhav GIDC and also personally guaranteed by Mr. S.R.Mody, who is the Managing Director of the company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 15 : DEFERRED TAX LIABILITIES (NET) **(Amount In ₹)**

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Deferred Tax Liabilities		
Property, plant and equipment - difference between value of assets as per book base and tax base	1,57,20,958	2,04,85,535
Difference in carrying value and tax base of investment measured at FVTPL	42,53,462	98,00,542
Unrealised gain on outstanding forward exchange contract	-	1,45,541
Others	2,25,587	-
Total Deferred Tax Liabilities (A)	**2,02,00,007**	**3,04,31,618**
Deferred Tax Asset		
Provision for employee benefits	22,78,220	9,36,355
Others	-	19,409
Difference in Right-of-use asset and lease liabilities	3,15,192	-
Unrealised loss on outstanding forward exchange contract	1,79,586	-
Total Deferred Tax Assets (B)	**27,72,997**	**9,55,764**
TOTAL(A-B)	**1,74,27,010**	**2,94,75,854**

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, 2020

PARTICULARS	Balance Sheet 01.04.2019	Profit and loss 2019-20	OCI 2019-20	Balance Sheet 31.03.2020
Property, plant and equipment - difference between value of assets as per book base and tax base	(2,04,85,535)	47,64,577	-	(1,57,20,958)
Difference in carrying value and tax base of investment measured at FVTPL	(98,00,542)	55,47,080	-	(42,53,462)
Unrealised gain/loss on outstanding forward contract	(1,45,541)	3,25,127	-	1,79,586
Provision for employee benefits	9,36,355	8,94,284	4,47,581	22,78,220
Others	(1,72,042)	(53,545)	-	(2,25,587)
Difference in Right-of-use asset and lease liabilities	1,91,451	1,23,741	-	3,15,192
Deferred Tax (Expenses)/benefit	**-**	**1,16,01,264**	**4,47,581**	**-**
Net Deferred Tax Liabilities	**(2,94,75,854)**	**-**	**-**	**(1,74,27,010)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(ii) Movements in Deferred Tax Assets and (Liabilities) during the year ended March 31, 2019

PARTICULARS	Balance Sheet 01.04.2018	Profit and loss 2018-19	OCI 2018-19	Balance Sheet 31.03.2019
Property, plant and equipment - difference between value of assets as per book base and tax base	(2,48,80,047)	43,94,512	-	(2,04,85,535)
Difference in carrying value and tax base of investment measured at FVTPL	(1,32,97,514)	34,96,972	-	(98,00,542)
Unrealised gain on outstanding on forward contract	4,32,496	(5,78,037)	-	(1,45,541)
Bonus provisions	27,85,821	(27,85,821)	-	-
Provision for employee benefits	(2,99,116)	7,95,934	4,39,537	9,36,355
Others	16,410	2,999	-	19,409
Deferred Tax (Expenses)/benefit	**-**	**53,26,559**	**4,39,537**	**-**
Mat Credit	30,68,747	-	-	-
Net Deferred Tax Liabilities	**(3,21,73,203)**	**-**	**-**	**(2,94,75,854)**

NOTE 16 : PROVISIONS **(Amount In ₹)**

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Non Current Provisions		
Provision for Employee Benefits		
Provisions for Gratuity (Refer Note 35)	38,22,001	-
Provision for Leave Benefit	-	-
TOTAL	**38,22,001**	**-**
Current Provisions		
Provision for Employee Benefits		
Provisions for Gratuity (Refer Note 35)	38,98,456	22,75,054
Provision for Leave Benefit	13,31,592	9,40,453
TOTAL	**52,30,048**	**32,15,507**

NOTE 17 : TRADE PAYABLES* **(Amount In ₹)**

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Due to Micro and Small Enterprises (Refer Note 34)	1,11,70,549	2,25,79,848
Due to others (Note 17.1)	17,67,13,710	21,02,30,396
TOTAL	**18,78,84,259**	**23,28,10,244**

*Refer Note 30 for information about liquidity risk and market risk of trade payables.

17.1 Trade Payable includes ₹ 29,33,414 (31/03/2019 ₹ 42,58,960) to related parties.(Refer Note 37)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 18 : OTHER CURRENT FINANCIAL LIABILITIES **(Amount In ₹)**

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Current Maturities of Long Term Debts (Refer Note 14)	16,21,042	10,29,994
Payable to employees (Note 18.1)	1,71,16,371	2,72,40,939
Payable towards other expenses	31,37,621	42,61,759
Payable towards capital expenditure	32,04,529	1,08,000
Unclaimed Dividends*	54,40,634	22,90,482
Foreign exchange forward contracts	7,13,549	-
TOTAL	**3,12,33,747**	**3,49,31,174**

18.1 Payable to employees includes ₹ 81,27,600 (31/03/2019 ₹ 93,88,836) to related parties. (Refer Note 37)

*There is no amount due for the payment to investor education and protection fund as on 31st March, 2020.

NOTE 19 : OTHER CURRENT LIABILITIES **(Amount In ₹)**

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Statutory Liabilities #	32,14,947	39,45,180
Advance from Customers	9,18,05,711	6,61,98,734
TOTAL	**9,50,20,658**	**7,01,43,915**

Statutory liabilities represent amount payable towards GST, TDS etc.

NOTE 20 : Income tax liabilities (net) **(Amount In ₹)**

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Provision for Income Tax (net)	11,87,052	-
TOTAL	**11,87,052**	**-**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 21 : REVENUE FROM OPERATIONS **(Amount In ₹)**

PARTICULARS	2019-20	2018-19
Revenue from Sale of Products	1,76,19,97,085	1,35,63,28,715
Revenue from Sale of Services	2,45,44,273	1,60,80,357
Other Operating Revenues	1,02,94,357	1,38,88,197
Total Revenue from Operations	**1,79,68,35,715**	**1,38,62,97,268**

A. Revenue from contracts with customers disaggregated based on nature of products and Services

(Amount In ₹)

PARTICULARS	2019-20	2018-19
Revenue from sale of products		
Manufactured Goods		
Vacuum Systems	56,32,35,128	42,33,73,463
Evaporators	67,62,69,763	30,18,58,112
B Cool (Food Division)	15,14,30,080	20,14,53,362
Condensers	13,79,99,262	15,22,71,691
Pollution Control Equipment	2,14,62,029	1,72,98,927
Vacuum Pumps	3,89,51,416	3,99,70,504
Thermo Compressors	3,49,16,960	4,56,72,984
Heater	3,25,02,480	8,65,59,041
Others (Including Spares)	10,52,29,967	8,78,70,631
TOTAL	**1,76,19,97,085**	**1,35,63,28,715**
Revenue from Sale of Services		
Domestic		
Consultancy Income	1,93,41,000	1,15,70,500
Equipment Repairs Income	31,53,542	37,07,725
Erection, Commissioning & Installation Income	13,00,000	-
Exports		
Consultancy Income	1,57,672	2,97,000
Equipment Repairs Income	5,92,059	4,42,357
Erection, Commissioning & Installation Income	-	62,775
TOTAL	**2,45,44,273**	**1,60,80,357**
Other Operating Revenues		
Sale of Scrap	58,76,368	71,84,910
Other Income -Miscellaneous	74,495	8,90,111
Export incentive income	43,43,494	58,13,176
TOTAL	**1,02,94,357**	**1,38,88,197**
Total Revenue from Operations	**1,79,68,35,715**	**1,38,62,97,268**

B. Revenue from contracts with customers disaggregated based on Geography **(Amount In ₹)**

PARTICULARS	2019-20	2018-19
Domestic	1,43,98,01,757	98,05,57,753
Exports	35,70,33,958	40,57,39,516
Revenue from operations	**1,79,68,35,715**	**1,38,62,97,268**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

C. Revenue from contracts with customers disaggregated based on Business Segment **(Amount In ₹)**

PARTICULARS	2019-20	2018-19
Engineering Products	1,64,44,59,165	1,18,35,64,790
Food Products	15,23,76,550	20,27,32,478
Revenue from operations	**1,79,68,35,715**	**1,38,62,97,268**

D. Reconciliation of Revenue from operations with contract price **(Amount In ₹)**

PARTICULARS	2019-20	2018-19
Contracted price	1,79,91,99,876	1,38,81,49,360
Export incentive income	43,43,494	58,13,176
	1,80,35,43,370	1,39,39,62,536
Less:-		
Sales returns	94,230	8,32,274
Discounts	66,13,425	68,32,994
Net Revenue recognised from Contracts with Customers	**1,79,68,35,715**	**1,38,62,97,268**

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

E. Contract balances **(Amount In ₹)**

PARTICULARS	2019-20	2018-19
Trade receivables	33,21,93,194	30,17,92,323
Advances from customers (Refer Note 19)	9,18,05,711	6,61,98,734

NOTE 22 : OTHER INCOME **(Amount In ₹)**

PARTICULARS	2019-20	2018-19
Interest Income		
From Others	2,25,020	2,74,644
On Financial Assets at Amortised Cost	3,05,520	2,84,204
Other Gain & Losses		
Gain on sale of investment measured at FVTPL (Net)	7,21,694	21,48,964
Gain on fair valuation of investment measured at FVTPL (Net)	79,35,727	2,63,57,170
Net Foreign exchange Gain	79,67,555	54,22,669
Liabilities/provisions no longer required written back	-	3,28,848
TOTAL	**1,71,55,516**	**3,48,16,499**

NOTE 23 : COST OF MATERIALS CONSUMED **(Amount In ₹)**

PARTICULAR	2019-20	2018-19
Inventory at the beginning of the Year	15,95,01,397	9,33,02,999
Add: Purchases	1,04,82,44,901	93,45,54,649
	1,20,77,46,298	**1,02,78,57,648**
Less: Inventory at the end of the Year	17,76,04,745	15,95,01,397
TOTAL	**1,03,01,41,553**	**86,83,56,251**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 24 : Changes in inventories of finished goods and work-in-progress **(Amount In ₹)**

PARTICULAR	2019-20	2018-19
Inventory at the end of the Year		
Work-in-progress	11,02,20,466	16,48,20,076
Goods-in-transit	2,63,88,386	54,31,019
Finished Goods	6,01,55,183	4,07,55,632
	19,67,64,035	**21,10,06,727**
Inventory at the beginning of the Year		
Work-in-progress	16,48,20,076	4,69,67,323
Goods-in-transit	54,31,019	49,50,882
Finished Goods	4,07,55,632	4,76,86,763
	21,10,06,727	**9,96,04,968**
Changes in inventories of finished goods and work-in-progress	**1,42,42,692**	**(11,14,01,759)**

NOTE 25 : EMPLOYEE BENEFIT EXPENSES **(Amount In ₹)**

PARTICULARS	2019-20	2018-19
Salaries, Wages and Bonus	14,27,76,980	13,94,09,720
Contribution to Provident and Other Fund (Refer Note 35)	57,12,966	54,63,019
Gratuity Expense (Refer Note 35)	35,10,909	28,46,789
Staff Welfare Expenses	21,39,394	17,24,741
TOTAL	**15,41,40,249**	**14,94,44,269**

NOTE 26 : FINANCE COSTS **(Amount In ₹)**

PARTICULARS	2019-20	2018-19
Interest on bank borrowings	9,84,901	16,46,177
Interest on lease liabilities	9,60,324	-
Interest on income tax	8,556	11,990
Other borrowing cost	74,83,610	59,00,150
TOTAL	**94,37,392**	**75,58,318**

NOTE 27 : DEPRECIATION AND AMORTISATION EXPENSE **(Amount In ₹)**

PARTICULARS	2019-20	2018-19
Depreciation of tangible assets (Refer Note 2)	1,85,56,551	1,85,17,513
Amortisation of intangible assets (Refer Note 3)	1,19,96,057	1,09,03,763
Depreciation of Right of use assets (Refer Note 4)	40,14,572	-
TOTAL	**3,45,67,180**	**2,94,21,276**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 28 : OTHER EXPENSES **(Amount In ₹)**

PARTICULARS	2019-20	2018-19
Consumption of Stores & Spares	1,97,18,099	1,91,69,826
Power and Fuel	76,85,167	70,29,049
Labour Charges	15,17,04,721	11,67,03,864
Inspection and Testing Charges	60,70,417	48,27,185
Other Manufacturing Expense	4,60,533	1,59,534
Rent, Rates and Taxes	1,39,83,924	1,50,17,763
Insurance	1,27,73,316	1,13,57,580
Repairs and Maintenance - Buildings	27,93,432	22,79,174
- Plant & Machineries	22,95,542	44,78,132
- Others	27,68,161	27,29,984
Travelling and Conveyance	1,31,16,001	97,45,914
Communication Costs	23,92,958	22,02,012
Computer Expense	24,36,778	21,43,673
Customer Support Service Expenditure	19,90,175	41,93,406
Legal and Professional Fees	1,54,68,998	1,28,29,537
Directors' Sitting Fees	16,90,000	21,08,892
Payment to Auditor (Refer note 28.1)	14,25,000	17,31,000
Research & Development Expense (Refer note 28.2)	1,86,63,471	1,81,62,578
Expenditure on Corporate Social Responsibility (CSR) Activities(Refer Note 40)	24,98,000	26,00,000
Donations	8,48,000	1,85,000
Donation to Political Party	-	25,000
Electricity Expense	8,78,583	9,03,445
Loss on disposal of property, plant and equipment	29,756	1,35,580
Bad Debts written off	94,60,257	-
Security expense	80,83,074	69,96,062
Freight and Forwarding Charges	3,00,13,325	2,45,64,945
Other Selling and Marketing Expenses	82,50,567	99,78,856
Other administrative expenses	97,08,537	1,01,41,305
TOTAL	**34,72,06,792**	**29,23,99,296**

NOTE 28.1 : Payment to Auditors (Excluding GST) **(Amount In ₹)**

PARTICULARS	2019-20	2018-19
Statutory Audit Fees	11,00,000	9,50,000
Tax Audit Fees	3,25,000	3,25,000
Certification fees and other services	-	4,56,000
TOTAL	**14,25,000**	**17,31,000**

NOTE 28.2 : RESEARCH AND DEVELOPMENT EXPENDITURE **(Amount In ₹)**

PARTICULARS	2019-20	2018-19
Capital Expenditure	1,87,542	32,27,198
Revenue Expenditure	1,86,63,471	1,81,62,578
TOTAL	**1,88,51,013**	**2,13,89,776**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

The details of revenue expenditure incurred on research and development are as under:

PARTICULARS	2019-20	2018-19
Salaries and other benefits to employees	1,71,30,647	1,67,77,949
Material / Consumable / Spares	2,11,486	2,24,954
Repairs & Maintenance	3,47,060	1,38,989
Travelling & Conveyance	3,35,803	1,49,565
Finance Cost	7,045	-
Other Research & Development Expense	6,31,430	8,71,121
TOTAL	**1,86,63,471**	**1,81,62,578**

NOTE 29 : TAX EXPENSES **(Amount In ₹)**

PARTICULARS	2019-20	2018-19
(a) Tax Expense recognised in the Statement of Profit & Loss		
Current Tax		
Current tax on taxable income for the year	6,67,39,999	4,59,75,000
Adjustments for the current tax of prior periods	26,64,815	37,13,994
Total Current Tax Expenses	**6,94,04,814**	**4,96,88,994**
Deferred Tax		
Deferred Tax Charge/(credit)	(1,16,01,264)	(53,26,559)
Total Deferred Tax Expenses	**(1,16,01,264)**	**(53,26,559)**
Total Income Tax Expenses	**5,78,03,550**	**4,43,62,435**
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Profit Before Tax	22,42,55,373	18,53,36,117
Tax at the Indian tax rate of 25.168% (previous year - 29.12%)	5,64,40,592	5,39,69,877
Adjustment for:		
Difference between Book and Tax depreciation	19,51,739	13,66,662
Donation & CSR Expenses	8,42,121	8,18,272
Income from fair valuation of mutual funds	(19,97,264)	(76,75,208)
Weighted deduction on R & D Expenditure	-	(40,10,431)
43B items	-	(37,26,457)
Deduction u/s chapter VI-A	(4,21,061)	(3,97,488)
Effect of Income which is taxed at special rates	50,04,549	57,72,501
Tax effect on Non-deductible Expenses	93,051	2,04,746
Effect of buy back expenses debited to Retained Earnings	(3,61,273)	(5,39,315)
Other items	51,87,543	1,91,841
TOTAL	**6,67,39,999**	**4,59,75,000**
Adjustment in respect of current income tax of previous year	26,64,815	37,13,994
Total Current Tax Expenses	**6,94,04,814**	**4,96,88,994**
Deferred tax expense reported in the statement of P&L	(1,16,01,264)	(53,26,559)
Tax Expenses as per Statement of Profit & Loss	**5,78,03,550**	**4,43,62,435**

The Company has chosen to exercise the option of lower tax rate of 25.168% (inclusive of surcharge and cess) under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. Accordingly, the Company has recognized provision for income tax for the year ended on March 31, 2020 and remeasured deferred tax balances on the basis of the rate prescribed in the said section.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 30 : FINANCIAL INSTRUMENTS FAIR VALUE AND RISK MEASUREMENTS

A. Financial instruments by category and their fair value

(Amount in ₹)

As at 31 March, 2020	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non current investment	7,88,73,428	25,17,546	-	8,13,90,974	8,13,87,974	-	3,000	8,13,90,974
Current Investment	19,75,89,657	-	-	19,75,89,657	19,75,89,657	-	-	19,75,89,657
Non current loans	-	-	5,17,409	5,17,409	-	-	-	-
Current loans	-	-	3,47,977	3,47,977	-	-	-	-
Non current security deposits	-	-	43,79,116	43,79,116	-	-	43,79,116	43,79,116
Non current other deposits	-	-	74,96,354	74,96,354	-	-	-	-
Other Current Financial Assets	-	-	1,27,977	1,27,977	-	-	-	-
Trade receivables	-	-	33,21,93,194	33,21,93,194	-	-	-	-
Cash and cash equivalents	-	-	9,01,33,664	9,01,33,664	-	-	-	-
Bank balances other than above	-	-	54,40,634	54,40,634	-	-	-	-
Total financial assets	**27,64,63,086**	**25,17,546**	**44,06,36,325**	**71,96,16,957**	**27,89,77,632**	**-**	**43,82,116**	**28,33,59,748**
Financial liabilities								
Borrowings								
Non current	-	-	51,78,330	51,78,330	-	-	-	-
Current	-	-	-	-	-	-	-	-
Non current lease liabilities	-	-	28,50,487	28,50,487	-	-	-	-
Current lease liabilities	-	-	33,33,072	33,33,072	-	-	-	-
Trade Payable	-	-	18,78,84,259	18,78,84,259	-	-	-	-
Derivatives not designated as hedges								
Derivatives - forward contracts	-	-	7,13,549	7,13,549	-	7,13,549	-	7,13,549
Other current financial liabilities	-	-	3,05,20,198	3,05,20,198	-	-	-	-
Total financial liabilities	**-**	**-**	**23,04,79,895**	**23,04,79,895**	**-**	**7,13,549**	**-**	**7,13,549**

(Amount in ₹)

As at 31 March, 2019	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non current investment	3,000	25,93,004	-	25,96,004	25,93,004	-	3,000	25,96,004
Current Investment	43,21,16,800	-	-	43,21,16,800	43,21,16,800	-	-	43,21,16,800
Non current loans	-	-	6,43,719	6,43,719	-	-	-	-
Current loans	-	-	2,33,367	2,33,367	-	-	-	-
Non current security deposits	-	-	40,73,596	40,73,596	-	-	40,73,596	40,73,596
Non current other deposits	-	-	60,17,171	60,17,171	-	-	-	-
Trade receivables	-	-	30,17,92,323	30,17,92,323	-	-	-	-
Cash and cash equivalents	-	-	1,83,95,368	1,83,95,368	-	-	-	-
Bank balances other than above	-	-	2,77,74,724	2,77,74,724	-	-	-	-
Derivatives not designated as hedges								
Derivatives - forward contracts	4,99,796	-	-	4,99,796	-	4,99,796	-	4,99,796
Other Current Financial Assets	-	-	1,21,275	1,21,275	-	-	-	-
Total financial assets	**43,26,19,597**	**25,93,004**	**35,90,51,543**	**79,42,64,144**	**43,47,09,804**	**4,99,796**	**40,76,596**	**43,92,86,197**
Financial liabilities								
Borrowings								
Non current	-	-	42,78,267	42,78,267	-	-	-	-
Current	-	-	1,26,05,455	1,26,05,455	-	-	-	-
Trade Payable	-	-	23,28,10,244	23,28,10,244	-	-	-	-
Other financial liabilities	-	-	3,49,31,174	3,49,31,174	-	-	-	-
Total financial liabilities	**-**	**-**	**28,46,25,140**	**28,46,25,140**	**-**	**-**	**-**	**-**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

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
Financial assets measured at fair value through profit and loss			
Foreign Exchange Forward Contracts	Level 2	Market valuation techniques	Derivative Instruments at values determined by counter parties/Banks using market observable data.
Financial liabilities measured at fair value through profit and loss			
Foreign Exchange Forward Contracts	Level 2	Market valuation techniques	Derivative Instruments at values determined by counter parties/Banks using market observable data.
Financial assets measured at amortised cost			
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 2020 and 31 March 2019.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

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 Board has been monitoring the risks that the Company is exposed to due to outbreak of COVID 19 closely. The Board has taken all necessary actions to mitigate the risks identified on the basis of the information and situation present.

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.

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 and GBP. 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:

		As at March 31, 2020		As at March 31, 2019	
		Foreign Currency	MTM Gain/(Loss)	Foreign Currency	MTM Gain/(Loss)
Foreign Exchange Forward Contracts to sell USD	USD	2,30,000	(7,83,200)	1,51,110	2,14,198
Foreign Exchange Forward Contracts to sell GBP	GBP	1,40,000	69,651	1,07,100	2,85,598

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(ii) Particulars of unhedged foreign currency exposure as at the reporting date are as follows:

(Amount in ₹)

Unhedged Exposures	Foreign Currency Denomination	As at March 31, 2020		As at March 31, 2019	
		Amount in Foreign Currency	Amount in ₹	Amount in Foreign Currency	Amount in ₹
Trade Receivable	USD	3,84,719	2,90,02,378	7,78,332	5,38,38,218
Trade Receivable	GBP	44,064	41,01,272	1,26,316	1,14,28,531
Trade Receivable	EURO	470	39,033	63,825	49,59,353
Trade Payable	USD	77,109	58,12,905	11,390	7,87,844
PCFC Loan Account	USD	-	-	1,82,235	1,26,05,455
Balance in EEFC Bank Account	USD	20,880	15,74,064	61,359	42,44,269
Balance in EEFC Bank Account	GBP	480	44,641	29,800	26,96,168

(iii) Foreign Currency Risk Sensitivity

The Company is mainly exposed to changes in USD and GBP. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD and GBP 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 **(₹ in Lacs)**

	As at March 31, 2020		As at March 31, 2019	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	12.38	(12.38)	22.34	(22.34)
GBP	2.07	(2.07)	7.06	(7.06)

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 debt mutual funds recognised at FVTPL. As at 31st March, 2020, the carrying value of the investments in debt mutual funds amounts to ₹ 2764.60 Lacs (₹ 4321.17 Lacs as at 31st March, 2019). The details of such investments in debt mutual funds are given in Note 5. 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, 2020, the carrying value of such instruments recognised at FVTOCI amounts to ₹ 25.18 Lacs (₹ 25.93 Lacs as at 31st March, 2019). The details of such equity instruments are given in Note 5.

The Company has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments in debt mutual funds.

The Company is mainly exposed to change in market rates of its investments in debt 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, 2020. Gain in the Statement of Profit and Loss for the year ended 31st March, 2020 would increase/decrease by ₹ 276.46 Lacs (2018-19 ₹ 43.21 Lacs) with a corresponding increase/decrease in Total Equity of the Company as at 31st March, 2020. 10% represents management's assessment of reasonably possible change in prices.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

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 assests 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.

Ageing of Trade receivables **(Amount in ₹)**

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Not Due	21,61,22,713	21,59,71,700
2-4 months	4,81,94,494	4,36,28,343
4-6 months	1,33,77,085	58,40,653
6 months to 12 months	3,06,89,538	80,85,967
beyond 12 months and less than 5 years	2,38,09,364	2,82,65,660
Total	**33,21,93,194**	**30,17,92,323**

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

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.

(Amount in ₹)

As at 31st March 2020	0-3 Months	3-12 Months	Between 1 to 5 Years	Beyond 5 years	Total
Borrowings	-	-	51,78,330	-	51,78,330
Trade payables	17,86,36,524	42,64,152	49,83,582	-	18,78,84,259
Lease liablities	9,40,410	23,92,662	28,50,487	-	61,83,559
Other financial liabilities	4,30,578	3,08,03,170	-	-	3,12,33,747
Total	**18,00,07,512**	**3,74,59,984**	**1,30,12,399**	**-**	**23,04,79,895**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(Amount in ₹)

As at 31st March 2019	0-3 Months	3-12 Months	Between 1 to 5 Years	Beyond 5 years	Total
Borrowings	-	1,26,05,455	42,78,267	-	1,68,83,722
Trade payables	22,42,94,121	60,80,983	24,35,140	-	23,28,10,244
Other financial liabilities	2,49,049	3,46,82,125	-	-	3,49,31,174
Total	**22,45,43,170**	**5,33,68,563**	**67,13,407**	**-**	**28,46,25,140**

NOTE 31 : 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, 2020, the Company has only one class of equity shares and has low 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 32: DIVIDEND (Amount in ₹)

PARTICULAR	Year 2019-20	Year 2018-19
Dividend on equity shares paid during the year		
Final dividend for the FY 2018-19 [₹ 9.00 (Previous year: ₹ 8.10) per equity share of ₹ 10 each]	3,60,45,000	3,44,89,800
Dividend distribution tax on final dividend	74,09,156	70,89,480
Interim dividend for the FY 2019-20 [₹ 7.50 (Previous year: Nil) per equity share of ₹ 10 each]	3,00,37,500	-
Dividend distribution tax on interim dividend	61,74,296	-
TOTAL	**7,96,65,952**	**4,15,79,280**

Proposed Dividend:

The Board of Directors at its meeting held on 29th June, 2020 have recommended a payment of final dividend of ₹ 2.50/- (Two rupees and fifty paisa only) per equity share of face value of ₹ 10 each for the financial year ended 31st March, 2020. The same amounts to ₹ 100.13 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 33: CONTINGENT LIABILITIES AND COMMITMENTS

PARTICULARS	As at 31st March 2020	As at 31st March 2019
a. Contingent Liabilities		
Claims against the Company not acknowledged as debts:		
Income Tax matter in dispute under appeal	10,612	10,612
Service tax matter in dispute under appeal	14,17,325	14,17,325
TOTAL	**14,27,937**	**14,27,937**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

PARTICULARS	As at 31st March 2020	As at 31st March 2019
b. Commitments		
1 Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)		
i) Towards Property, Plant and Equipment	7,04,85,477	15,35,76,056

NOTE 34 : DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ARE PROVIDED AS UNDER FOR THE YEAR 2019-20, TO THE EXTENT THE COMPANY HAS RECEIVED INTIMATION FROM THE "SUPPLIERS" REGARDING THEIR STATUS UNDER THE ACT.

(Amount in ₹)

PARTICULARS	As at 31st March 2020	As at 31st March 2019
(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	1,11,70,549	2,25,79,848
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 on requests made by the Company. 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 35 : 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 ₹ 48,11,783 (31st March, 2019 ₹ 45,00,908).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

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, 2020 and 31st March, 2019 recognised in the financial statements in respect of Gratuity Benefits:

A. Amount recognised in the Balance Sheet **(Amount in ₹)**

PARTICULARS	As at 31st March 2020	As at 31st March 2019
Gratuity:		
Present value of plan liabilities	6,65,10,105	5,74,74,489
Fair value of plan assets	5,87,89,648	5,51,99,436
Deficit/(Surplus) of funded plans	77,20,457	22,75,053
Unfunded plans	-	-
Net plan liability/ (Asset)	**77,20,457**	**22,75,053**

B. Movements in plan assets and plan liabilities **(Amount In ₹)**

GRATUITY	Year ended 31st March, 2020			Year ended 31st March, 2019		
	Plan Assets	Plan Liabilities	Net	Plan Assets	Plan Liabilities	Net
As at 1st April	5,51,99,436	5,74,74,489	22,75,053	5,17,13,888	5,23,65,792	6,51,904
Current service cost	-	36,33,341	36,33,341	-	34,04,033	34,04,033
Interest Income	37,89,235	-	(37,89,235)	36,99,573	-	(36,99,573)
Interest cost	-	38,22,926	38,22,926	-	36,20,289	36,20,289
Return on plan assets excluding amounts included in Interest Income	(57,317)	-	57,317	(11,03,281)	-	11,03,281
Actuarial loss/(gain) due to change in financial assumptions	-	(22,33,269)	(22,33,269)	-	6,53,813	6,53,813
Actuarial loss/(gain) due to change in demographic assumption	-	(14,155)	(14,155)	-	-	-
Actuarial loss/ (gain) due to experience adjustments	-	39,68,479	39,68,479	-	(2,47,694)	(2,47,694)
Employer Contribution	-	-	-	32,11,000	-	(32,11,000)
Benefits paid	(1,41,706)	(1,41,706)	-	(23,21,744)	(23,21,744)	-
As at 31st March	**5,87,89,648**	**6,65,10,105**	**77,20,457**	**5,51,99,436**	**5,74,74,489**	**22,75,053**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

C. Amount recognised in the Statement of Profit and Loss as Employee Benefit Expenses **(Amount In ₹)**

GRATUITY	As at 31st March, 2020	As at 31st March, 2019
Current service cost	36,33,341	34,04,033
Net interest cost	33,691	(79,284)
Net (Gain)/Loss recognised in the Statement of Profit and Loss	**36,67,032**	**33,24,749**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in Interest Income	57,317	11,03,281
Actuarial (gains)/losses arising from changes in financial assumption	(22,33,269)	6,53,813
Actuarial (gains)/losses arising from changes in demographic assumption	(14,155)	-
Experience (gains)/losses arising on experience adjustments	39,68,479	(2,47,694)
Net (Gain)/Loss recognised in the Other Comprehensive Income	**17,78,372**	**15,09,400**

D. Assets **(Amount In ₹)**

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
GRATUITY:		
Policy of Insurance	5,87,89,648	5,51,99,436
TOTAL	**5,87,89,648**	**5,51,99,436**

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, 2020	As at 31st March, 2019
GRATUITY:		
Discount Rate	6.45% p.a.	7.35% p.a.
Salary Growth Rate	4% p.a.	5.50% p.a.
Withdrawal Rate	7% p.a.at all ages	7% p.a.at all ages

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

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, 2020		Year ended 31st March, 2019	
	Define Benefit Obligation (DBO)	Change in DBO %	Define Benefit Obligation (DBO)	Change in DBO %
GRATUITY:				
Discount Rate				
Increase by 0.50%	6,47,98,155	-2.57%	5,58,68,088	-2.79%
Decrease by 0.50%	6,83,23,807	2.73%	5,91,78,274	2.96%
Salary growth Rate				
Increase by 0.50%	6,83,40,011	2.75%	5,91,82,100	2.97%
Decrease by 0.50%	6,47,69,363	-2.62%	5,58,51,533	-2.82%
Withdrawal Rate				
Increase by 10%	6,69,03,044	0.59%	5,77,49,127	0.48%
Decrease by 10%	6,60,85,572	-0.64%	5,71,64,174	-0.54%

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 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, 2020 as follows:

(Amount In ₹)

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
GRATUITY		
2,020	-	1,09,23,769
2,021	2,12,51,145	1,13,88,099
2,022	45,52,212	38,56,185
2,023	52,52,614	45,64,111
2,024	38,85,256	33,53,240
2,025	53,18,656	-
Thereafter	3,05,60,201	2,90,14,740

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

As per Actuarial Valuation as on 31st March, 2020 and 31st March, 2019 recognised in the financial statements in respect of Privilege Leave Benefit:

A. Amount recognised in the Balance Sheet **(Amount in ₹)**

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
Privilege Leave Benefit:		
Present value of plan liabilities	1,23,84,277	1,17,05,479
Fair value of plan assets	1,28,43,943	1,23,84,866
Deficit/(Surplus) of funded plans	(4,59,666)	(6,79,387)
Unfunded plans	-	-
Net plan liability/ (Asset)	**(4,59,666)**	**(6,79,387)**

B. Movements in plan assets and plan liabilities **(Amount In ₹)**

PRIVILEGE LEAVE BENEFIT	Year ended 31st March, 2020			Year ended 31st March, 2019		
	Plan Assets	Plan Liabilities	Net	Plan Assets	Plan Liabilities	Net
As at 1st April	1,23,84,866	1,17,05,479	(6,79,387)	1,18,53,637	1,11,94,701	(6,58,936)
Current service cost	-	15,53,052	15,53,052	-	14,30,932	14,30,932
Interest Income	9,46,847	-	(9,46,847)	9,07,466	-	(9,07,466)
Interest cost	-	8,14,756	8,14,756	-	8,03,698	8,03,698
Return on plan assets excluding amounts included in Interest Income	(1,86,465)	-	1,86,465	(2,92,494)	-	2,92,494
Actuarial loss/(gain) due to change in financial assumptions	-	(5,33,904)	(5,33,904)	-	1,63,063	1,63,063
Actuarial loss/(gain) due to change in demographic assumption	-	(2,694)	(2,694)	-	-	-
Actuarial loss/ (gain) due to experience adjustments	-	(8,51,107)	(8,51,107)	-	(10,43,172)	(10,43,172)
Employer Contribution	-	-	-	7,60,000	-	(7,60,000)
Benefits paid	(3,01,305)	(3,01,305)	-	(8,43,743)	(8,43,743)	-
As at 31st March	**1,28,43,943**	**1,23,84,277**	**(4,59,666)**	**1,23,84,866**	**1,17,05,479**	**(6,79,387)**

C. Amount recognised in the Statement of Profit and Loss as Employee Benefit Expenses **(Amount In ₹)**

PRIVILEGE LEAVE BENEFIT	As at 31st March, 2020	As at 31st March, 2019
Current service cost	15,53,052	14,30,932
Net interest cost	(1,32,091)	(1,03,768)
Net value of remeasurements on the obligation and plan assets	(12,01,240)	(5,87,615)
Net (Gain)/Loss recognised in the Statement of Profit and Loss	**2,19,721**	**7,39,549**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

D. Assets (Amount In ₹)

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
PRIVILEGE LEAVE BENEFIT		
Policy of Insurance	1,28,43,943	1,23,84,866
TOTAL	**1,28,43,943**	**1,23,84,866**

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, 2020	As at 31st March, 2019
PRIVILEGE LEAVE BENEFIT		
Discount Rate	6.45% p.a.	7.35% p.a.
Salary Growth Rate	4.% p.a.	5.50% p.a.
Withdrawal Rate	7% p.a.at all ages	7% p.a.at all ages
Leave Availment Rate	0.4% p.a.	0.4% p.a.
Leave Encashment Rate	0.0% p.a.	0.0% 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, 2020		Year ended 31st March, 2019	
	Define Benefit Obligation (DBO)	Change in DBO %	Define Benefit Obligation (DBO)	Change in DBO %
PRIVILEGE LEAVE BENEFIT				
Discount Rate				
Increase by 0.50%	1,19,88,293	-3.20%	1,13,05,717	-3.42%
Decrease by 0.50%	1,28,06,910	3.41%	1,21,32,744	3.65%
Salary growth Rate				
Increase by 0.50%	1,28,15,071	3.48%	1,21,38,374	3.70%
Decrease by 0.50%	1,19,77,370	-3.29%	1,12,97,058	-3.49%
Withdrawal Rate				
Increase by 10%	1,24,80,494	0.78%	1,17,66,910	0.52%
Decrease by 10%	1,22,79,697	-0.84%	1,16,37,007	-0.58%

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

G. Expected cash flows based on past service liability after year end 31st March, 2020 as follows:

(Amount In ₹)

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
PRIVILEGE LEAVE BENEFIT		
2,020	-	12,40,730
2,021	24,53,790	20,04,608
2,022	10,32,080	9,26,417
2,023	11,29,340	10,42,582
2,024	9,08,980	8,51,116
2,025	11,33,983	-
Thereafter	54,48,023	56,56,075

2.2) Sick Leave assumptions

The liability towards compensated absences (sick leave) for the year ended 31st March, 2020 based on actuarial valuation carried out by using Projected Unit credit Method resulted in increase in liability to ₹ 17,91,257 /-. (Previous Year ₹ 16,19,839/-)

a) Financial Assumption

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
Discount Rate (p.a.)	6.45%	7.35%
Salary growth rate (p.a.)	4.00%	5.50%

b) Demographic Assumption

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
Mortality	IALM (2012-14) Ultimate	IALM (2006-08) Ultimate
Employee Turnover	7% at all ages	7% at all ages
Leave Availment Rate	6.00%	6.00%

NOTE 36 : EARNINGS PER SHARE **(Amount in ₹)**

PARTICULARS	As at 31st March, 2020	As at 31st March, 2019
Earnings Per Share has been computed as under:		
Profit after tax as per Statement of Profit and Loss	16,64,51,823	14,09,73,683
Weighted average number of equity shares outstanding	40,14,439	42,58,000
Basic and diluted earnings per share in rupees(Face Value ₹ 10 per share)	41.46	33.11

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE: 37 INFORMATION ON RELATED PARTY TRANSACTIONS AS REQUIRED BY IND AS- 24 - 'RELATED PARTY DISCLOSURES' FOR THE YEAR ENDED 31ST MARCH, 2020.

(i) Name of the Related Party and Nature of Relationship

a) Key Management Personnel

Mr. Sorab R. Mody	Managing Director
Mr. Percy X. Avari	Whole Time Director
Mrs. Shanaya Mody Khatua	Whole Time Director
Mr. Cryus Jimmy 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 Having Significant Influence

Panache holidays	Enterprises
H.T. Engineering (Gujarat) Pvt. Ltd.	Enterprises
ATMOS Power Private Limited	Enterprises

(ii) Transactions carried out with related parties referred in (i) above, in ordinary course of business:

(Amount In ₹)

Nature of Transactions	Relationship	2019-20	2018-19
(a) Sitting Fees for Board Meetings			
Mrs. Sheila S. Mody	Non-Executive Director	5,00,000	6,30,000
Mr. Mohib N. Khericha	Independent/ Non-Executive Director	4,10,000	5,10,000
Mr. Nilesh C. Mankiwala	Independent/ Non-Executive Director	2,75,000	3,00,000
Mr. Saurin V. Palkhiwala	Independent/ Non-Executive Director	4,05,000	5,05,000
Mr. Samuel W. Croll-III	Non-Executive Director	50,000	63,892
Mrs. Houtoxi F. Contractor	Non-Executive Director	50,000	1,00,000
(b) Labour Charges			
H.T. Engineering (Guj) Pvt Ltd	Enterprises	53,56,284	58,33,937
(c) Travelling Expese			
Panache Holidays	Enterprises	5,02,907	6,93,450
(d) Exhibition Expense			
Panache Holidays	Enterprises	-	3,332
(e) Purchase of Raw Materials			
H.T. Engineering (Guj) Pvt Ltd	Enterprises	2,92,49,771	2,82,39,318
(f) Factory Consumable			
H.T. Engineering (Guj) Pvt Ltd	Enterprises	-	12,410
(g) Rent Paid			
Mr. Sorab R. Mody	Managing Director	43,80,000	43,80,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(Amount In ₹)

Nature of Transactions	Relationship	2019-20	2018-19
(h) Commission on Profit			
Mr. Sorab R. Mody	Managing Director	35,18,800	31,29,612
Mr. Percy X. Avari	Whole Time Director	23,04,400	31,29,612
Mrs. Shanaya Mody Khatua	Whole Time Director	23,04,400	31,29,612
(i) Dividend Paid			
Mr. Sorab R. Mody	Managing Director	2,15,61,429	1,01,22,214
Mr. Percy X. Avari	Whole Time Director	7,45,883	3,66,160
Mrs. Shanaya Mody Khatua	Whole Time Director	70,22,763	34,47,538
Mrs. Sheila S. Mody	Non-Executive Director	12,49,050	6,13,170
Mr. Cryus Jimmy Bhagwagar	Chief Financial Officer	16,500	8,100
Mrs. Houtoxi F. Contractor	Non-Executive Director	9,768	4,795
(j) Remuneration Paid			
Mr. Sorab R. Mody	Managing Director	59,81,200	49,82,000
Mr. Percy X. Avari	Whole Time Director	71,95,600	49,82,000
Mrs. Shanaya Mody Khatua	Whole Time Director	71,95,600	49,82,000
Mr. Cryus Jimmy Bhagwagar	Chief Financial Officer	41,53,917	39,11,322
Mr. Nishith C. Kayasth	Company Secretary	15,74,069	15,37,640

(iii) Balances with related parties referred in (i) above, in ordinary course of business:

(Amount In ₹)

Nature of Transactions	Relationship	As At 31st March, 2020	As At 31st March, 2019
(a) Trade Payables			
H.T Engineering(Guj) Pvt Ltd	Enterprises	26,04,914	42,58,960
Mr. Sorab R. Mody	Managing Director	3,28,500	-
(b) Commission Payables			
Mr. Sorab R. Mody	Managing Director	35,18,800	31,29,612
Mr. Percy X. Avari	Whole Time Director	23,04,400	31,29,612
Mrs. Shanaya Mody Khatua	Whole Time Director	23,04,400	31,29,612
(c) Office Rent Deposit Given			
Security Deposit to Mr. Sorab Mody	Managing Director	50,00,000	50,00,000

Executive Directors Compensation (Amount In ₹)

	2019-20	2018-19
Short-term employee benefits	2,84,35,200	2,42,70,036
Post-employment benefits	64,800	64,800
Total Compensation *	**2,85,00,000**	**2,43,34,836**

* This aforesaid amount does not includes amount in respect of gratuity as the same is not determinable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 38 : 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:

Reportable Segment	Products/Services
1 Engineering Products	Manufacturing of Engineering goods like Vaccum Products, Evaporators, pollution Control Equipments
2 Food Products	Manufacturing of Food Product 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:

Fixed Assets used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as allocation of assets and liabilities to segments is currently not practicable.

D) Information about geographical areas

The Company has identified its geographical segments as India and Outside India.

E) Information about major customers

Revenues from customers of the company's engineering product business is approximately ₹ 3814.81 Lacs (March 2019- ₹ 1749.36 Lacs) which is more than 10% of the Company's segment revenue.

F) Summary of Segment Information : **(Amount In ₹)**

PARTICULAR	Year ended 31st March, 2020			Year ended 31st March, 2019		
	Engineeing Products	Food Products	Total	Engineeing Products	Food Products	Total
Segment Revenues						
External Revenue	1,64,44,59,165	15,23,76,550	1,79,68,35,715	1,18,35,64,790	20,27,32,478	1,38,62,97,268
Inter Segment Revenue	-	-	-	-	-	-
Total Segment Revenue	**1,64,44,59,165**	**15,23,76,550**	**1,79,68,35,715**	**1,18,35,64,790**	**20,27,32,478**	**1,38,62,97,268**
Segment Result	**31,39,73,963**	**3,11,52,046**	**34,51,26,009**	**25,57,04,680**	**4,20,22,420**	**29,77,27,100**
Specified Amounts Included In Segment Results						
Identifiable Operating Expenses	1,33,50,68,281	12,46,88,126	1,45,97,56,407	93,06,52,292	16,34,69,141	1,09,41,21,433
Segment Operating Income	45,83,079	34,63,623	80,46,702	27,92,182	27,59,083	55,51,265
Segment Result	**31,39,73,963**	**3,11,52,046**	**34,51,26,009**	**25,57,04,680**	**4,20,22,420**	**29,77,27,100**
Unallocable Expenses			12,99,79,450			14,13,27,369
Unallocable Income			91,08,814			2,89,36,386
Income Taxes			5,78,03,550			4,43,62,435
Profit After Tax As Per Statement of Profit And Loss			**16,64,51,823**			**14,09,73,683**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Geographical Segment Information: **(Amount In ₹)**

PARTICULAR	Year 2019-20	Year 2018-19
Revenue From External Customers		
Within India	1,43,98,01,757	98,05,57,753
Outside India	35,70,33,958	40,57,39,516
	1,79,68,35,715	**1,38,62,97,268**

NOTE: 39 Leases

The Company's leasing arrangements are in respect of operating leases for premises (Office, godown, factory etc.) and motor cars.These lease arrangements range for a period between 11 months and 5 years. Most of the lease agreements are renewable for further period on mutually agreeable terms.

(i) Movement in Lease Liabilities during the year **(Amount In ₹)**

Particulars	As at 31st March, 2020
Balance as at 1st April, 2019	-
Lease Liabilities on account of adoption of Ind AS 116	96,03,235
Finance Costs incurred during the year	9,60,324
Payments of Lease Liabilities	(43,80,000)
Balance as at 31st March, 2020	**61,83,559**

(ii) Lease Liabilities as at March 31, 2020 **(Amount In ₹)**

Particulars	As at 31st March, 2020
Non- Current Lease Liabilities	28,50,487
Current Lease Liabilities	33,33,072
Total lease Liability	**61,83,559**

(iii) Right of use asset recognised on the date of initial application **(Amount In ₹)**

Particulars	As at 31st March, 2020
Lease liability amount recognised	96,03,235
Prepaid or accrued lease amounts recognised in the balance sheet	8,59,752
Right of use asset recognised on initial application	**1,04,62,987**

(iv) Amount recognised in Statement of Profit & loss Account during the year **(Amount In ₹)**

Particulars	As at 31st March, 2020
Finance Cost	9,60,324
Depreciation of Right of use Assets	40,14,572
Expenses relating to Short-term Leases and low value assets	1,10,88,961
Total Expenses	**1,60,63,857**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Transition to Ind AS 116 'Leases'

With effect from 1st April 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to lease contracts existing on the date of initial application using the modified retrospective approach. Accordingly, on initial application of Ind AS 116, in respect of leases previously classified as operating leases, lease liability is measured at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application and right of use asset at an amount equal to the lease liability adjusted for any prepayments/accruals recognized in the Balance Sheet as on 31st March 2020. There is no impact on retained earnings as on 1st April 2019.

NOTE: 40 CORPORATE SOCIAL RESPONSIBILITY

A. Gross amount required to be spent by the Company during the year 2019-20: ₹ 24.67 Lacs (Year 2018-19: ₹ 25.16 Lacs)

B. Amount spent during the year on: **(Amount In ₹)**

PARTICULAR	Year 2019-20			Year 2018-19		
	In Cash	Yet to be paid in Cash	TOTAL	In Cash	Yet to be paid in Cash	TOTAL
i) Construction/Acquisition of any asset	-	-	-	-	-	-
ii) For purposes other than (i) above	24,98,000	-	24,98,000	26,00,000	-	26,00,000
	24,98,000	**-**	**24,98,000**	**26,00,000**	**-**	**26,00,000**
C. Related party transactions in relation to Corporate Social Responsibility:			**Nil**			**Nil**

NOTE: 41 ESTIMATION OF UNCERTAINTIES RELATING TO COVID-19

In March 2020, the World Health Organisation declared Covid-19 a global pandemic. Consequent to this, Government of India declared nation-wide lockdown on 24 March 2020, which has impacted normal business operations of the Company.The Company has considered the possible effects that may arise out of the still unfolding COVID-19 pandemic on the carrying amounts of property, plant & equipment, intangible assets, investments, inventories, trade receivables, profits etc. For this purpose, the company has considered internal and external sources of information up to the date of approval of the Standalone Financial Statements including related information, economic forecasts, etc. Based on the current estimates, the company does not expect any significant impact on such carrying values. The company will continue to monitor developments to identify significant uncertainties in future periods if any.

As per our report of even date attached
For MAYANK SHAH & ASSOCIATES
Chartered Accountants
(Firm Registration No. 106109W)

Sd/-
M. S. SHAH
Partner
Membership No. 044093

Ahmedabad
June 29, 2020

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

Sd/-
Sorab Mody
Managing Director
(DIN: 00498958)

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

Sd/-
Mohib Khericha
Chairman
(DIN: 00010365)

Sd/-
Cyrus Bhagwagar
Chief Financial Officer

Sd/-
Nishith Kayasth
Company Secretary

To,

If undelivered, please return to:

MAZDA LIMITED

Mazda House, 650/1, Panchwati 2nd Lane, Ambawadi, Ahmedabad - 380 006.