

ANNUAL REPORT
OF
MAHINDRA MARINE PRIVATE LIMITED
FOR FY 2019-2020

MAHINDRA MARINE PRIVATE LIMITED

NOTICE IS HEREBY GIVEN THAT THE 12TH ANNUAL GENERAL MEETING OF MAHINDRA MARINE PRIVATE LIMITED WILL BE HELD ON MONDAY, 20TH JULY, 2020 AT 3.00 P.M. AT MAHINDRA TOWERS P.K. KURNE CHOWK, WORLI, MUMBAI-400018 AT SHORTER NOTICE THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO-VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the Financial Year ended 31st March, 2020, including the Annual Audited Balance Sheet as at 31st March, 2020 and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.

**By Order of the Board of
Mahindra Marine Private Limited**

**Sheetal Jain
Company Secretary
Membership No.: A40730**

Registered Office Address: Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai – 400018, India.

CIN : U63032MH2008PTC186581
Email : malvankar.romali@mahindra.com
Website: : www.mahindraodyssea.com
Contact No. : 022-24905623

Place: Mumbai

Date: 3rd July, 2020

NOTES:

- (A) In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting (AGM) through VC/ OAVM, without the physical presence of the Members at a common venue.

In compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the registered office of the Company i.e. Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai-400018.

- (B) In compliance with the aforesaid MCA Circulars and pursuant to the provisions of the Act, the Notice of AGM along with the Annual Report of the Company for the financial year 2019-2020 is being send through electronic mode to all the Members whose e-mail addresses are registered with the Company. Members may note that the Notice of the AGM and Annual Report for FY 2019-2020 will also be available on the Company's website at <http://www.mahindraodyssea.com>.
- (C) All the Members attending the AGM through VC/ OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.
- (D) Corporate Members (i.e. other than Individuals, HUF, NRIs, etc.) are required to send a scanned certified true copy (PDF Format) of the Board Resolution, etc., authorising their representative to attend the AGM through VC/ OAVM on their behalf and to vote through show of hands during the AGM.
- (E) **Instructions for Members for attending the AGM through VC / OAVM:**
- i. The Company is providing facility attending the AGM through VC / OAVM through Microsoft Teams platform. Members may join the AGM through VC Facility by following the procedure as mentioned below.
 - ii. The video streaming link of the AGM will be kept open for the Members to join 15 minutes before the time scheduled to start the AGM i.e. from 2.45 p.m. and the Company may close the window for joining the VC / OAVM facility 15 minutes after the scheduled time to start the AGM i.e. up to 3.15 p.m.
 - iii. Members may note that the VC/OAVM Facility, provided by the Company, allows participation of all the Members of the Company.
 - iv. Members are encouraged to join the AGM through laptops/desktops with front camera and internet with a good speed to avoid any disturbance during the AGM and seamless experience.

- v. Please note that Members connecting from their mobile devices or tablets or through laptop/desktops via. mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- vi. Members can express their views and submit questions/queries in advance at [the](#) designated email IDs with regard to the Financial Statements or any other agenda item to be placed at the AGM and the Members will also be allowed to pose questions during the course of the Meeting.
- vii. To attend the AGM of the Company through VC / OAVM facility, Members shall log-on to the link provided in the e-mail by which this notice is being sent and follow the procedure below:
 - 1. The AGM meeting link will appear as a Calendar Invite on your registered e-mail Id. Click and select - **Join Teams Meeting** to join the AGM. Members can join through any web browser or through Microsoft Team Application
 - 2. You have two choices: (a) Download the Windows app: Download the Teams app.
(b) Join on the web instead: Join a Teams meeting on the web
 - 3. Type in your name and turn-on the Camera and Microphone before joining the AGM. You can choose the audio and video settings you want and can also Turn on background blur to keep the focus on you instead of what's behind you.
 - 4. Select **Join now**
 - 5. You will not enter the meeting, through the lobby admission.
- (F) Members can join the Meeting by clicking on the link provided in the email sent along with the notice convening the 12th AGM. Members who need any technical or other assistance before or during the AGM, can connect with the technical team at VC-TPHELPDESK@mahindra.com or contact Mr. Rakesh Wagh at + 91-99876 63246 or Vinay Vaishya at +91 99671 50220 at +91 99876 63246 or can also e-mail to malvankar.romali@mahindra.com or at 91-9619632454.
- (G) Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on his/her behalf and the Proxy need not be a Member of the Company. Since this AGM is being held pursuant to the applicable MCA Circulars, through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of Proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

- (H) Members are requested to communicate their assent/ dissent on the agenda item as mentioned in this Notice of the 12th AGM by show of hands/ sending an email to the Chairman at bhiwandiwalazhooben@mahindra.com ("Designated Email ID") with cc to malvankar.romali@mahindra.com or Jain.sheetal@mahindra.com
- (I) The Resolution. shall be deemed to be passed at Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai-400018 on the date of the AGM, subject to receipt of the requisite number of votes in favour of the Resolution.
- (J) Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
- (K) M/s. B. K. Khare & Co., Chartered Accountants, Mumbai (Firm Registration Number 105102W), were re-appointed as the Statutory Auditors of the Company at the 11th Annual General Meeting (AGM) held on 5th August, 2019, to hold office for a period of five years i.e. from the conclusion of this 11th AGM until the conclusion of the 16th AGM of the Company to be held in the year 2024. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing 12th AGM.
- (L) Your Company has offered demat facility to its Members by admitting its securities with National Securities Depository Limited (NSDL) under the International Securities Identification Number (ISIN) INE997W01013 (for fully paid-up 2,80,00,000 equity shares of Rs. 10 each) and has obtained electronic connectivity with KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited), having its registered office situated at Selenium Tower - B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Telangana, India. Tel No. (040) 79611000, Email ID: venu.sp@kfintech.com, Website: www.kfintech.com
- (M) We request all the Shareholder(s) holding equity shares of the Company in physical form to dematerialize their shareholding to avail of numerous benefits of dematerialisation, which include easy liquidity, ease of transfer, elimination of any possibility of loss of documents and bad deliveries.
- (N) The consent of the Members as required in terms of the provisions of the Sections 101 and 136 of the Act read with Clause 1.2.7 of Secretarial Standards - 2 on General Meetings is enclosed.
- (O) Members are requested to update the change in their contact details including email address and Bank details, if any.

- (P) If during the VC / OAVM AGM, a poll on the above matter(s) proposed to be transacted at the AGM is required or demanded under section 109 and other applicable provisions of the Act read with rules framed thereunder the same shall be conducted in compliance with the said provisions of the Act and the said MCA circulars. Members shall cast their votes on the resolution(s) on poll only through their email address registered with the Company by sending e-mail to the Company's designated e-mail ID bhiwandiwala.zhooben@mahindra.com with cc to malvankar.romali@mahindra.com or jain.sheetal@mahindra.com, quoting their folio no./DP-ID Client ID, name of joint shareholders, if any, number of shares and scanned copy of self-attested PAN card. Corporate Members shall also send to the Company scanned copy of the relevant Board Resolution/Authority letter etc. in PDF/JPG format with details and proofs of authorized signatory(ies) who shall vote on their behalf.
- (Q) For inspection of the Register of Directors and Key Managerial Personnel and their shareholding, the Register of Contracts or Arrangements in which Directors are interested, Register of Members and other documents as referred in this Notice, the members may send their request on the designated e-mail ID any time before and during the meeting.
- (R) The recorded transcript of the AGM shall also be made available on the website of the Company, under weblink <http://www.mahindraodyssea.com>, as soon as possible after the AGM is over.

MAHINDRA MARINE PRIVATE LIMITED**BOARD'S REPORT TO THE SHAREHOLDERS**

Your Directors present their 12th Report along with the Audited Accounts of your Company for Financial Year ended 31st March, 2020.

Financial Highlights and State of Company Affairs

(Amount in Rupees)

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Net Income	21,54,89,998	26,10,86,854
Profit/(Loss) Before Tax, Depreciation and Amortization	1,79,27,801	4,96,47,109
Less Depreciation / Amortization	22,65,494	24,02,010
Profit/(Loss) before taxation	1,56,62,307	4,72,45,099
Less: Reversal of MAT Credit	61,36,352	-
Add: Deferred Tax (Liability)/ Asset	-	-
Profit/ (Loss) for the year after taxation	95,25,955	4,72,45,099
Other Comprehensive income	1,23,868	4,04,058
Total comprehensive income for the period	96,49,823	4,76,49,157
Balance of Loss from earlier years	(13,17,71,534)	(17,94,20,691)
Transition Depreciation Adjustment to reserves	-	-
Balance carried forward	(12,21,21,711)	(13,17,71,534)
Net worth	15,78,78,289	14,82,28,466

No material changes and commitments have occurred after the closure of the year under review till the date of this report which would affect the financial position of the Company.

Operations

During the year under review, your Company recorded net income of Rs.21,54,89,998 as against Rs.26,10,86,854 for the previous year. Your Company earned a profit of Rs.96,49,823 for the year ended 31st March 2020 as against a Profit of Rs.4,76,49,157 in previous year. Reduction in Revenue & consequent reduction in profits took place on account of 2 boat PDI & acceptance sea trials scheduled in second half of March 2020 cancelled by Indian Navy on account of COVID 19 restrictions imposed by Ministry for travel. Prior to the same, production was stalled for 4 months on account of resolving a peculiar technical problem.

During the year under review, your Company successfully delivered additional 6 Nos 11.0m Work Boats awarded to us post successful execution of principal order of 17 nos. Work Boats. Your company also delivered balance 4 Nos 6.5m RIBs & 6 Nos 9.2m Survey Motor Boats to Indian Navy.

Your Company also received and executed order for supply of 1 nos. MO35 boat (semi) to a private recreational customer. Your Company has also completed the order of 6 nos. Ambulance Boats to Department Health and Family Welfare, Govt. of Odisha successfully during the current year.

Your Company has no Subsidiaries, Associates or Joint Ventures.

Outlook for the year

Your Company will continue to execute balance Boats of orders in hand along with efforts to scout for more opportunities from various customers.

Your Company is expected to continue strengthening serial production capabilities & strategic supplier relationships built over the years. Your Company will continue to explore opportunities of introducing advance production techniques & complex boat models helping achieve production efficiency & better value addition opportunity.

Federal vision continues to remain optimistic but current pandemic spread across the globe is likely to impact with shift in priorities by Federal administration. Nevertheless, it is too early to ascertain impact of COVID 19 but your Company will reengineer Production capacities to the extent possible keeping fixed cost under check, in response to change in Demand scenario. Long Term potential continues to remain positive & Your Company should continue to evaluate additional investment in a new assembly facility to make ourselves available at short notice for spurt in demand. Current Forex situation is highly volatile & may continue to impact the costs demanding additional opportunities to indigenize & look for bulk purchase opportunities capitalizing strategic suppliers' confidence.

As such private ownership demand continue to remain sluggish on account of procedural hassles of ownership & handicapped marine infrastructure, there is an increasing need to find avenues to make prices competitive & affordable, which can enhance the demand significantly. Your Company should remain optimistic to see demand spurt in such area as it offers a strong brand promise helping us consolidate & grow position across all the segments. Your Company will continue to build strategic relationships on demand & supply side for effective presence across the marine ecosystem. Availability of trained manpower continues to remain a challenge & will have to work in the direction of creating skilled bench apart from focusing on cost/productivity enhancement initiatives.

Dividend

Your Directors do not recommend any dividend on equity shares for the year. Your Directors have not paid any interim Dividend during the year. There is no unpaid Dividend of earlier years which has been transferred or due to be transferred to Investor Education and Protection Fund during the year.

Share Capital

The Authorized Share Capital of your Company as on 31st March, 2020 stood at Rs. 28 crores divided into 2,80,00,000 Equity Shares of Rs. 10/- each.

There was no change in the paid-up share capital of your Company during the year under review.

Accordingly, as on 31st March, 2020, the paid-up share capital of your Company stood at Rs. 28 crores i.e. 2,80,00,000 Equity Shares of Rs. 10/- each.

The Company has offered demat facility to its Members by admitting its securities with National Securities Depository Limited (NSDL) under the International Securities Identification Number (ISIN) INE997W01013 (for fully paid-up 2,80,00,000 equity shares of Rs. 10 each) and has obtained electronic connectivity with KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited), having its office situated at Selenium Tower - B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Telangana, India. Tel No. (040) 79611000, Email ID: venu.sp@kfintech.com, Website: www.kfintech.com

Board of Directors

The composition of the Board of Directors of the Company is as follows:

Sr. No.	Name of the Director	DIN	Executive / Non-Executive	Independent / Non-Independent
1	Mr. Zhooben Bhiwandiwal	00110373	Non-Executive	Non-Independent
2	Mr. Parag Shah	00374944	Non-Executive	Non-Independent
3	Mr. Sujay Chohan	00219032	Non-Executive	Non-Independent
4	Mr. Malav Shroff	01226879	Non-Executive	Non-Independent

All Directors of your Company have given requisite declarations pursuant to Section 164 of the Companies Act, 2013, that they are not disqualified to be appointed as Directors.

There has been no change in Directors during the year under review.

During the year under review your Company was not required to appointment Independent Directors and constitute Audit Committee and Nomination and Remuneration Committee of the Board.

Provisions relating to Annual Evaluation of Board, Committees and Individual Directors were not applicable to your Company for the year under review.

Board Meetings

The Board met four times during the year, i.e. on 8th May, 2019, 5th August, 2019, 22nd October, 2019 and 24th January, 2020. The gap between two consecutive meetings did not exceed 120 days. The 11th Annual General Meeting of the Company was held on 5th August, 2019.

The attendance of the Directors at the Board Meetings of the Company were as under:

Name of the Director	No. of Board Meetings attended (out of 4 Board Meetings held)
Mr. Zoooben Bhiwandiwala	4
Mr. Parag Shah	3
Mr. Sujay Chohan	2
Mr. Malav Shroff	4

Compliance with the provisions of Secretarial Standard 1 (SS-1) and Secretarial Standard 2 (SS-2)

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

Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your Directors based on representation from operating management and after due enquiry confirm that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed and there have been no departures;
- (ii) Accounting policies have been selected in consultation with the Statutory Auditors and these have been applied consistently and reasonable and prudent judgments and estimates have been made 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) Proper and sufficient care has been taken 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 annual accounts have been prepared on a going concern basis;
- (v) The Company has laid down internal financial controls. The Company has also assessed the adequacy of the Company's internal controls over financial reporting as of 31st March, 2020 and have found them to be adequate;
- (vi) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Key Managerial Personnel

Pursuant to the provisions of section 2(51) and section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Ms. Sheetal Jain, Company Secretary, appointed w.e.f. 23rd October, 2019, as the Key Managerial Personnel (KMP) of your Company.

Ms. Ashwini Mhatre resigned as the Company Secretary (KMP) of the Company with effect from 22nd October, 2019.

Risk Management Policy

Your Company has formulated a Risk Management Policy which identifies and evaluates risks and frames a response to mitigate the risks which may impact the business of the Company.

Implementation of the Risk Management Policy is expected to be helpful in managing the risks associated with the business of the Company.

Disclosure as per The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has in place a Policy on Prevention of Sexual Harassment of Women in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your Company has also constituted an "Internal Complaints Committee" in compliance with the provisions of this Act, to which employees can address their complaints. During the year, no complaints were received by the said Committee.

Statutory Auditors

The Members of the Company at their 11th Annual General Meeting (AGM) held on 5th August, 2019, had appointed M/s. B. K. Khare & Co., Chartered Accountants, (ICAI Registration Number 105102W) as the Statutory Auditors of the Company, for a term of 5 consecutive years, to hold office from the conclusion of 11th AGM until the conclusion of the 16th AGM of the Company to be held in the year 2024.

The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from 7th May, 2018.

Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing 12th AGM and a note in respect of same has been included in the Notice for this 12th AGM.

The Auditors' Report for the year ended 31st March, 2020 does not contain any qualification, reservation or adverse remark.

Reporting of Frauds by Auditors

During the year under review, the Statutory Auditors, have not reported any instances of frauds committed in the Company by its officers or employees to the Board of Directors under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this report.

Secretarial Auditor and Internal Auditor

During the year under review, the provisions relating to Secretarial Auditor and Internal Auditor were not applicable to your Company.

Cost Auditor and Cost Audit Records

During the year under review, the maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148 (1) of the Companies Act, 2013 were not applicable to the business activities carried out by the Company and accordingly such accounts and records were not made and maintained by the Company, in compliance with the amendment to Rule 8 of the Companies Accounts Rules, 2014, vide the Companies (Accounts) Amendment Rules, 2018.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure I** and forms part of this Report.

Particulars of Public Deposits, Loans, Guarantees or Investments

During the year under review, your Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013, from the public or its employees during the year.

Your Company has not obtained any loans/advances which are required to be disclosed in the annual accounts of the Company pursuant to Regulations 34(3) and 53(f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V, applicable to the ultimate Parent Company Mahindra and Mahindra Limited.

Particulars of loans given, investments made, guarantees and securities provided, are given under the notes to the audited financial statements and the same forms part of the annual report.

Particulars of Transactions with Related Parties

All the transactions entered into by your Company with the related parties during the year under review were in ordinary course of business and at arm's length basis.

During the year under review, there were no transactions referred to in section 188(1) of the Companies Act, 2013 with related parties of the Company which are required to be disclosed in this Report. Hence, Form AOC-2 is not required to be annexed to this report.

Details of transactions with related parties as required to be reported in line with the applicable accounting standards may be referred to under notes to the financial statements.

Extract of Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as on 31st March, 2020 is annexed as Annexure II and forms part of this report. Pursuant to the amendment to section 134 (3)(a) of the Companies Act, 2013 vide Companies (Amendment) Act, 2017, the annual return of your Company is available on the Company's website and can be accessed at the web-link: <https://www.mahindraodyssea.com>.

Disclosure of Particulars of Employees as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Being an unlisted company, provisions of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to your Company.

Internal Financial Controls

Pursuant to Rule 8 of the Companies (Accounts) Rules, 2014 based on the representation received and after due enquiry your Directors confirm that they have laid down internal financial controls with reference to the Financial Statements and these controls are adequate.

Human Resources

Your Company is focused on building a talent pool for the future. Your Company continues to focus on competency development of its people through on-the-job training as well as by deputing them for programmes organised at the group level and externally.

Industrial Relations

Your Company had cordial industrial relations with employees / workers throughout the year. Your Board of Directors thanks them for their valuable contribution towards the growth of the Company.

Safety, Health and Environmental Performance

Your Company's commitment towards safety, health and environment is being continuously enhanced. The requirements relating to various environmental legislations and environmental protection have been duly complied by your Company.

General Disclosures

Your Directors state that no disclosure or reporting is required in respect of the following items as they were not applicable to your Company during the year under review:

1. Provisions relating to Corporate Social Responsibility enumerated under Section 135 of the Companies Act, 2013.
2. Provisions relating to Vigil Mechanism enumerated under Section 177 of the Companies Act, 2013.
3. Issue of equity shares with differential rights as to dividend, voting or otherwise.
4. Issue of shares (including sweat equity shares) to employees of the Company under any ESOP scheme, etc.
5. Shares having voting rights not exercised directly by the employees and for the purchase of which or subscription to which loan was given by the Company.

No Significant or material orders passed by the Regulators or courts or Tribunals which may impact the going concern status and the Company's Operations in future.

Acknowledgements

Your Directors are pleased to take this opportunity to thank the bankers, customers, vendors and all the other stakeholders for their co-operation to the Company during the year under review.

**For and on behalf of the Board of
Mahindra Marine Private Limited**

Zhooben Bhiwandiwala
Director
DIN: 00110373

Sujay Chohan
Director
DIN: 00219032

Mumbai, 26th May 2020

**ANNEXURE I TO THE DIRECTORS' REPORT
PARTICULARS AS PER THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE
DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2020**

A. CONSERVATION OF ENERGY

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

Though the activities of your Company are not energy intensive, necessary measures are taken to contain and bring about saving in power consumption through better housekeeping and awareness programs.

(b) The steps taken by the company for utilizing alternate sources of energy: None

(c) The capital investment on energy conservation equipment's: Nil

B. TECHNOLOGY ABSORPTION

i) The efforts made towards technology absorption – None

ii) The benefits derived like product improvement, cost reduction, product development or import substitution: Not applicable

(a) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – None The details of technology imported: Not applicable

(b) The year of import : Not applicable

(c) Whether the technology been fully absorbed: Not applicable

(d) f not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not applicable

iv) The expenditure incurred on Research and Development: Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO: (in terms of actual inflow and outflow)

Total Foreign Exchange Earned and Used:

	(Rupees in Lakhs)	
	For the Financial Year Ended 31st March, 2020	For the Financial Year Ended 31st March, 2019
Total Foreign Exchange Earned	NIL	NIL
Total Foreign Exchange Used	907.16	773.64

**For and on behalf of the Board of
Mahindra Marine Private Limited**

**Zhooben Bhiwandiwala
Director
DIN: 00110373**

**Sujay Chohan
Director
DIN: 00219032**

Mumbai, 26th May, 2020

ANNEXURE II TO THE DIRECTORS REPORT**Form No. MGT-9****Extract of Annual Return****as on the financial year ended on 31st March, 2020**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]**I. REGISTRATION AND OTHER DETAILS:**

1.	CIN	U63032MH2008PTC186581
2.	Registration Date	9 th September, 2008
3.	Name of the Company	Mahindra Marine Private Limited
4.	Category/Sub-Category of the Company	Private Company Limited by Shares/Indian Non-Government Company
5.	Address of Registered Office and Contact details	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018. Tel: 022 - 24905623 Email Id: malvankar.romali@mahindra.com
6.	Whether listed Company (Yes/No)	No
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited), Selenium Tower - B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Telangana, India. Tel No. (040) 79611000, Email ID: venu.sp@kfintech.com, Website: www.kfintech.com

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:

Sr. No.	Name and Description of Main Products/Services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Building of FRP Boats	301	78.80%
2	Spare Parts sales	2811	17.95%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : NIL

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
-	-	-	-	-	-

f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FIIIs	-	-	-	-	-	-	-	-	-
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i. Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-Total-B (1)	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a. Bodies Corp.	-	-	-	-	-	-	-	-	-
i. Indian									
ii. Overseas									
b. Individuals	-	-	-	-	-	-	-	-	-
i. Individual shareholders holding nominal share capital upto Rs.1 lakh	-	-	-	-	-	-	-	-	-
ii. Individual shareholders holding nominal share capital in excess of Rs. 1Lakh	-	-	-	-	-	-	-	-	-
c. Others (specify)									
Sub-Total-B (2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding B=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	-	2,80,00,000	2,80,00,000	100.00	2,28,36,649	51,63,351	2,80,00,000	100.00	-

ii. Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 1 st April 2019)			Shareholding at the end of the year (As on 31 st March 2020)			% change in shareholding 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	Mr. Ulhas Yargop, Mr. Nikhilesh Panchal (Trustees of Sunrise Initiatives)	2,28,36,649	81.56	-	2,28,36,649	81.56	-	-
2	Mr. Ulhas Yargop, Mr. Nikhilesh Panchal (Trustees of Sunrise Initiatives) Jointly with Mr. Narayan Shankar	4,900	0.02	-	4,900	0.02	-	-
3	Ocean Blue Boating Private Limited	51,58,451	18.42	-	51,58,451	18.42	-	-
	Total	2,80,00,000	100.00	-	2,80,00,000	100.00	-	-

iii. Change in Promoters' Shareholding: (Please specify if there is no change) - No change in the Promoter Shareholding

Sr. No.	Particulars	Shareholding at the beginning of the year (as on 1 st April, 2019)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Ulhas Yargop, Mr. Nikhilesh Panchal (Trustees of Sunrise Initiatives)				
	At the beginning of the year - 01.04.2019	2,28,36,649	81.56	2,28,36,649	81.56
	Date wise Increase/Decrease in Promoter's Shareholding during the year specifying the reasons for increase/decrease (eg. Allotment/Transfer/Bonus/Swe at Equity/etc.)	-	-	-	-
	At the end of the year - 31.03.2020	-	-	2,28,36,649	81.56

2.	Mr. Ulhas Yargop, Mr. Nikhilesh Panchal (Trustees of Sunrise Initiatives) jointly with Mr. Narayan Shankar				
	At the beginning of the year - 01.04.2019	4,900	0.02	4,900	0.02
	Date wise Increase/Decrease in Promoter's Shareholding during the year specifying the reasons for increase/decrease (eg. Allotment/Transfer/Bonus/Swe at Equity/etc.)	-	-	-	-
	At the end of the year - 31.03.2020	-	-	4,900	0.02
3.	Ocean Blue Boating Private Limited				
	At the beginning of the year - 01.04.2019	51,58,451	18.42	51,58,451	18.42
	Date wise Increase/Decrease in Promoter's Shareholding during the year specifying the reasons for increase/decrease (eg. Allotment/Transfer/Bonus/ Sweat Equity/etc.)	-	-	-	-
	At the End of the year - 31.03.2020	-	-	51,58,451	18.42

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

Sr. No.	Shareholding for each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the beginning of the year - 01.04.2019	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity/etc.)	-	-	-	-
	At the end of the year - 31.03.2020	-	-	-	-

v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding for each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year (As on 1 st April, 2019)		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the beginning of the year - 01.04.2019	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity)	-	-	-	-
	At the end of the year - 31.03.2020	-	-	-	-

V. INDEBTEDNESS

 Indebtedness of the Company including interest outstanding/accrued but not due for payment
 (Rs. in Lakhs)

PARTICULARS	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSITS	TOTAL INDEBTEDNESS
Indebtedness at the beginning of the financial year		-		
1) Principal Amount	-	200.00	-	200.00
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	2.06	-	2.06
Total of (1+2+3)	-	202.06	-	202.06
Change in Indebtedness during the financial year				
+ Addition	2179.39	247.86	-	2427.25
-Reduction	(1739.78)	(24.47)	-	(1764.25)
Net change	439.61	223.39	-	(663.00)
Indebtedness at the end of the financial year				
1) Principal Amount	428.28	420.00	-	848.28
2) Interest due but not paid	11.33	-	-	11.33
3) Interest accrued but not due	-	5.45	-	5.45
Total of (1+2+3)	439.61	425.45	-	865.06

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:

Sr. No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		-	-	
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) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission (as % of Profit)	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	-	-	-
Ceiling as per the Act		-		

B. Remuneration of other Directors:

Sr. no.	Particulars of Remuneration	Name of Directors			Total Amount
		-	-	-	
1.	Independent Directors				
	• Fee for attending Board/ Committee meetings	-	-	-	-
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2.	Other Non-Executive Directors				
	• Fee for attending Board/ Committee meetings	-	-	-	-
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B) = (1 + 2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	-			-

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

(Rupees in Lakhs)

Sr. No.	Particulars of Remuneration	CEO	CFO	CS		Total Amount
				#Ms. Ashwini Mhatre (ceased w.e.f. 22 nd October, 2019)	#Ms. Sheetal Jain (appointed w.e.f. 23 rd October, 2019)	
1.	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-
5.	Others, please specify Fees			0.67	0.53	1.20
	Total (C)	-	-	0.67	0.53	1.20

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority (RD/NCLT/ court)	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

 For and on behalf of the Board of
 Mahindra Marine Private Limited

 Zhooben Bhiwandiwala
 Director
 DIN: 00110373

 Sujay Chohan
 Director
 DIN: 00219032

 Mumbai, 26th May, 2020

INDEPENDENT AUDITOR'S REPORT

To the Members of
Mahindra Marine Private Limited
Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of **Mahindra Marine Private Limited** ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the Ind AS 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 Ind AS 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to Note 12.12 to the financial statements which explains the uncertainties and the management's assessment of the financial impact of conditions relating to Covid 19 pandemic, lock-down and other restrictions imposed by the Government, and management's estimation of expected credit losses. A definitive assessment of the impact of Covid 19 pandemic is highly dependent upon circumstances as they evolve in the subsequent period.

Our opinion is not modified in respect of this matter.

Other Information

The company's Board of Directors is responsible for the other information. The other information comprises the Board report.

Our opinion on Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibilities for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Standard on Auditing 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 Ind AS financial statements.

As part of an audit in accordance with Standard on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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.

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 Act, we give in the "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (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 other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year.

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses that needs provision;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **B.K. Khare & Co.**
Chartered Accountants
(Firm's Registration No. 105102W)

Shirish Rahalkar
Partner
Membership No. 111212
UDIN:

Mumbai, May, 2020

ANNEXURE A TO THE AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the standalone financial statements of **Mahindra Marine Private Limited** for the year ended March 31, 2020)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program for physical verification of its fixed assets designed to cover all the items once in three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. A portion of the fixed assets has been physically verified by the management during the year in accordance with the above-mentioned program. According to the information and explanation given to us no discrepancies were observed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties held in the name of the Company. Accordingly, provisions of clause 3(i)(c) of the order are not applicable.
- ii. The inventory has been physically verified by management during the year the frequency of which, in our opinion, is reasonable. The discrepancies noticed on physical verification of inventory as compared to book records have been properly dealt with in the books of account.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (i), (ii), and (iii) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us and to the best of our knowledge and belief, there are no loans, investments, guarantees and securities given as mentioned under section 185 and 186 of the Companies Act, 2013. Therefore, provisions of clause 3(iv) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits to which the directives issued by the Reserve Bank of India and the provisions of Sections 73-76 of the Act apply. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- vi. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013.
- vii. (a) According to the records of the Company examined by us and information and explanations given to us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Cess and other statutory dues applicable to it. There are no undisputed

amounts in respect of the aforesaid items which are unpaid at the balance sheet date for a period of more than 6 months from the date they became due.

- (b) According to the information and explanations given to us and records of the Company examined by us, there are no dues of income tax, sales tax, service tax, duty of excise, duty of customs, value added tax, goods & service tax which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowing from any financial institution or bank during the period covered by our audit. The Company has not taken any loan from government nor issued debentures.
- ix. In our opinion and according to the information and explanations given to us, the Company has not availed any term loan nor has raised money by way of initial public offer or further public offer (including debt instrument) during the year. Therefore, the provisions of clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our audit, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
- xi. Based on the records examined by us and according to the information and explanations given to us, the provisions of section 197 read with Schedule V of the Companies Act are not applicable to the company. Accordingly, the provisions of clause 3(xi) of the Order are not applicable.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii. Based on the records examined by us and according to the information and explanations given to us, transactions with related parties are in compliance with 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. Based on the records examined by us and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or partly convertible debentures during the year. Accordingly, provisions of clause 3(xiv) of the Order are not applicable to the company.
- xv. Based on the records examined by us and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, provisions of clause 3(xv) of the Order are not applicable.

B. K. Khare & Co.
Chartered Accountants

706-708, Sharda Chambers
New Marine Lines
Mumbai 400 020

- xvi. In our opinion and 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.

For **B. K. Khare & Co.**
Chartered Accountants
Firm's Registration Number 105102W

Shirish Rahalkar
Partner
Membership Number 111212
UDIN:
Mumbai, May, 2020

MAHINDRA MARINE PRIVATE LIMITED
Balance Sheet at March 31, 2020

Rupees

Particulars		Note No.	As at Mar 31, 2020	As at March 31, 2019
A	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment	4.8	90,04,042	1,06,18,361
	(b) Capital work-in-progress		81,880	81,880
	(c) Other Intangible assets	4.9	1,40,029	2,86,073
	(d) Other non-current assets		-	-
	Total Non - Current Assets		92,25,951	1,09,86,314
2	Current assets			
	(a) Inventories	4.10	4,84,14,855	4,58,15,087
	(b) Financial Assets			
	(i) Investments	4.11	-	-
	(ii) Trade receivables	4.12	24,58,92,658	15,57,70,596
	(iii) Cash and cash equivalents	4.13	36,787	62,42,014
	(iv) Other Bank Balances	4.13	98,27,410	1,03,91,437
	(iv) Other Financial Assets	4.14	9,57,972	11,19,457
	(c) Other current assets	4.15	1,62,35,330	2,57,87,236
	Total Current Assets		32,13,65,012	24,51,25,827
	Total Assets (1+2)		33,05,90,963	25,61,12,141
B	EQUITY AND LIABILITIES			
1	EQUITY			
	(a) Equity Share capital	4.1	28,00,00,000	28,00,00,000
	(b) Other Equity excluding non-controlling interests	4.2	(12,21,21,707)	(13,17,71,534)
	Equity attributable to owners of the Company		15,78,78,293	14,82,28,466
2	LIABILITIES			
	Non-current liabilities			
	(a) Provisions	4.3	66,75,399	50,21,289
	Total Non - Current Liabilities		66,75,399	50,21,289
3	Current liabilities			
	(a) Financial Liabilities			
	(i) Trade payables	4.4	7,11,61,519	6,88,73,001
	(ii) Other financial liabilities	4.5	-	-
	(iii) Current Borrowing	4.6	8,65,05,824	2,02,05,974
	(b) Provisions	4.3	71,43,111	1,26,46,303
	(c) Other current liabilities	4.7	12,26,817	11,37,107
	Total Current Liabilities		16,60,37,271	10,28,62,385
	Total Equity and Liabilities (1+2+3)		33,05,90,963	25,61,12,140
	Summary of Significant Accounting Policies	1 to 3		

In terms of our report attached
For B.K.Khare & Co
Chartered Accountants
Firm Registration No.105102W

For and on behalf of the Board of Directors of
Mahindra Marine Private Limited

Shirish Rahalkar
Partner
Membership No.111212

Zhooben Bhiwandiwala
Director
(DIN 00110373)

Sujay Chohan
Director
(DIN 00219032)

Sheetal Jain
Company Secretary
Membership No A40730

Place : Mumbai
Date : May 26, 2020

Place : Mumbai
Date : May 26, 2020

MAHINDRA MARINE PRIVATE LIMITED
Statement of Profit and Loss for the period ended March 31, 2020
Rupees

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
Continuing Operations			
I Revenue from operations	5.1	21,46,29,864	25,96,94,268
II Other Income	5.2	10,45,607	13,92,586
III Total Revenue (I + II)		21,56,75,471	26,10,86,854
IV EXPENSES			
(a) Cost of materials consumed	5.3	14,26,93,622	11,96,38,694
(b) Other Manufacturing Expenses	5.4	1,34,98,483	1,12,72,213
(c) Changes in stock of finished goods, work-in-progress and stock-in-trade	5.5	(1,43,25,095)	2,67,74,150
(d) Employee benefit expense	5.6	2,56,21,182	2,46,99,331
(e) Finance costs	5.7	66,02,771	42,86,348
(f) Depreciation and amortisation expense	4.8 & 4.9	22,65,494	24,02,010
(g) Other expenses	5.8	2,36,56,703	2,47,69,009
Total Expenses (IV)		20,00,13,160	21,38,41,755
V Profit/(loss) before tax (III-IV)		1,56,62,311	4,72,45,099
VI Tax Expense			
(1) Current tax			-
Tax Expenses (MAT AY 19-20)		-	61,87,000
Less : MVAT Credit (AY 19-20)		61,36,352	(61,87,000)
(2) Deferred tax		-	-
Total tax expense		61,36,352	-
VII Profit/(loss) after tax for the period (V-VI)		95,25,959	4,72,45,099
VIII Other comprehensive income			
Items that will not be recycled to profit or loss			
(a) Remeasurements of the defined benefit liabilities / (asset)		1,23,868	4,04,058
IX Total comprehensive income for the period		1,23,868	4,04,058
X Total comprehensive income for the period attributable to:			
Owners of the Company		96,49,827	4,76,49,157
XI Earnings per equity share (for continuing operation):			
(1) Basic		0.34	1.70
(2) Diluted		0.34	1.70

In terms of our report attached

For B.K.Khare & Co

Chartered Accountants

Firm Registration No.105102W

For and on behalf of the Board of Directors of
Mahindra Marine Private Limited
Shirish Rahalkar

Partner

Membership No.111212

Zhooben Bhiwandiwala

Director

(DIN 00110373)

Sujay Chohan

Director

(DIN 00219032)

Sheetal Jain

Company Secretary

Membership No A40730

Place : Mumbai

Date : May 26, 2020

Place : Mumbai

Date : May 26, 2020

MAHINDRA MARINE PRIVATE LIMITED
Cash Flow Statement as at March 31, 2020

CASH FLOW STATEMENT - INDIRECT METHOD

Rupees

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
Cash flows from operating activities			
Profit before tax for the year	PLH53	96,49,827	4,76,49,157
Adjustments for:			
Investment income recognised in profit or loss			
Interest Income	5.2	(6,88,552)	(5,99,645)
Depreciation and amortisation of non-current assets	4.8 & 4.9	22,65,494	24,02,010
Net gain/(loss) arising on Financial Assets designated as FVTPL	5.2	-	(7,23,268)
Write Back of Credit Balance	5.2	-	(208)
Provision for Doubtful Debt	5.8	15,90,108	15,57,884
		1,28,16,877	5,02,85,931
Movements in working capital:			
Increase in trade and other receivables		(9,01,22,062)	(1,88,32,945)
(Increase)/decrease in inventories		(25,99,768)	76,46,223
(Increase)/decrease in other assets		97,13,391	(16,20,406)
Decrease in trade and other payables		22,88,518	(18,27,652)
Increase/(decrease) in provisions		(54,39,192)	55,56,012
(Decrease)/increase in other liabilities		89,710	5,05,121
Cash generated from operations		(7,32,52,527)	4,17,12,283
Income taxes paid		-	-
Net cash (used in)/generated by operating activities		(7,32,52,527)	4,17,12,283
Cash flows from investing activities			
Payments to acquire financial assets		-	(6,57,51,805)
Proceeds on sale of financial assets		-	6,64,75,073
Interest received		6,88,552	5,99,645
Other investment received		5,64,028	(43,19,717)
Proceeds from disposal of property, plant and equipment		-	-
Payment of property, plant and equipment		(4,94,331)	(25,40,713)
Payments for intangible assets		(10,800)	(10,800)
Net cash (used in)/generated by investing activities		7,47,449	(55,48,318)
Cash flows from financing activities			
Proceeds from issue of equity instruments of the Company		-	-
Proceeds from borrowings		6,62,99,850	(2,99,55,924)
Net cash (used in)/generated by financing activities		6,62,99,850	(2,99,55,924)
Net increase in cash and cash equivalents		(62,05,227)	62,08,042
Cash and cash equivalents at the beginning of the year		62,42,014	33,972
Effects of exchange rate changes on the balance of cash held in foreign currencies			
Cash and cash equivalents at the end of the year		36,787	62,42,014

In terms of our report attached.

For B.K.Khare & Co
Chartered Accountants
Firm Registration No.105102W

**For and on behalf of the Board of Directors of
Mahindra Marine Private Limited**

Shirish Rahalkar
Partner
Membership No.111212

Zhooben Bhiwandiwala
Director
(DIN 00110373)

Sujay Chohan
Director
(DIN 00219032)

Sheetal Jain
Company Secretary
Membership No A40730

Place : Mumbai
Date : May 26, 2020

Place : Mumbai
Date : May 26, 2020

1 Corporate information:

Mahindra Marine Private Limited ('the Company') is incorporated in India on September 09, 2008 to carry on the business of manufacturing, assembling, trading, exporting in boats and yachts of all kinds including but not limited to power boats, power catamarans, dinghies, fishing boats, coastal vessels, military and coastguard vessels, ferries, marine equipment's and other marine electronics equipment, marine engines including outboard motors, stern drives, IPS drives, jet drives, water jet propulsion systems, shaft drives, electric, diesel and petrol engines of all sizes and horse power for both domestic and export market.

2 Significant Accounting Policies followed by the Company:

2.1 Statement of compliance and basis of preparation and presentation of financial statements:

The financial statement for the year ended March 31, 2020 of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

All assets and liabilities are classified as current if it is expected to realise or settle within 12 months after the Balance Sheet date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

2.2 Property, Plant and Equipment and Intangible Assets:

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Cost includes all incidental expenses related to acquisition and installation and other pre operation expenses. The estimated useful lives, residual values, are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Intangible assets other than software are stated at their cost of acquisition, less accumulated amortization and impairment losses thereon. An intangible asset is recognized, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured.

The company capitalizes software and related implementation costs where it is reasonably estimated that the software has an enduring useful life. Software is amortized over three financial years equally commencing from the year in which the expenditure is incurred.

Expenditure incurred for creating/acquiring intangible assets, from which future economic benefits will flow over a period of time, is amortized over the estimated useful life of an asset from the time the intangible asset start providing the economic benefit.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the Statement of Profit and Loss.

Depreciation is calculated on written down value method over the estimated useful life of all assets. These lives are in accordance with Schedule II to the Companies Act, 2013, other than the following asset class based on the Company's expected usage pattern:

- 1) Designs -3 Years
- 2) Computer and data processing unit- 3 Years

2.3 Impairment of assets:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted at their present value using the pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss.

2.4 Financial Assets and Financial Liabilities:

Financial Instruments:

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit or Loss.

Financial Assets:

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Impairment of Financial Assets:

The Company applies the expected credit loss model for recognizing impairment loss on financial assets. With respect to trade receivables the Company measures the loss allowance at an amount equal to lifetime expected credit losses

Derecognition of Financial Assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

Financial Liabilities and Equity Instruments:

Equity instruments issued by the Company are classified as equity in accordance with the substance of the contractual agreements and the definitions of an equity instrument.

Equity Instrument:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instrument is recognised and deducted directly in equity. No gain or loss is recognised in the Statement of Profit or Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities:

All the financial liabilities are subsequently measured at either amortised cost using the effective interest method or at fair value through profit and loss, depending on the classification of the financial liabilities.

Derecognition of Financial Liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligation are discharged, cancelled or have expired. An exchange between the lender of debt instrument with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the term of an existing liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit or Loss.

2.5 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

2.6 Revenue Recognition:

Sale of goods:

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- (i) the Company has transferred to the buyer the significant risk and reward of ownership of the goods;
- (ii) the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (iii) the amount of revenue can be measured reliably;
- (iv) it is probable that the economic benefits associated with the transaction will flow to the Company; and
- (v) the cost incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services:

Sale of services are recognized when services are rendered.

Interest income:

Interest income is accrued on a time proportionate basis.

Other Income:

Other income is accounted on accrual basis.

2.7 Foreign Currency Transactions

Initial recognition:

Foreign currency transactions are recorded in the reporting currency which is Indian Rupee, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion:

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.

Exchange Differences:

Exchange differences arising on the settlement of monetary items or on reporting monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

2.8 Retirement and Other Employee Benefits

2.8.1 Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus / ex-gratia are recognised in the period in which the employee renders the related service.

2.8.2 Post employment employee benefits

2.8.2(A) Defined Contribution schemes

Company's contributions to the Provident Fund and Employee's State Insurance Fund are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

2.8.2(B) Defined benefits plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

2.8.2(C) Other long term employee benefits

Company's liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss.

2.9 Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.10 Taxes on Income:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. 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. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year:

Current and deferred tax are recognized in the Statement of Profit or Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

Minimum Alternate Tax:

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

2.11 Cash and cash equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.12 Cash flow statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.13 Earnings Per Share:

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year.

3 Use of estimates and judgements:

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses etc. at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

Fair value of financial assets, liabilities and investments:

The Company measures certain financial assets and liabilities on fair value basis at each balance sheet date or at the time they are assessed for impairment. Fair value measurement that are based on significant unobservable inputs (level 3) requires management's best estimate about future development.

MAHINDRA MARINE PRIVATE LIMITED
Notes to the Financial statements as at March 31, 2020

Note 4.1 : Equity Share Capital

Particulars	Rupees			
	As at Mar 31, 2020		As at Mar 31, 2019	
	No. of shares	Amount	No. of shares	Amount
Authorised, Issued and Subscribed : Equity shares of Rs 10/- each with voting rights	2,80,00,000	28,00,00,000	2,80,00,000	28,00,00,000
Total	2,80,00,000	28,00,00,000	2,80,00,000	28,00,00,000

MAHINDRA MARINE PRIVATE LIMITED
Notes to the Financial statements as at March 31, 2020

Note 4.1 : Equity Share Capital (Contd.)

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	Rupees		
	Opening balance	Fresh Issue	Closing Balance
Equity Shares with Voting rights:			
Year Ended Mar 31, 2020			
No. of Shares	2,80,00,000	-	2,80,00,000
Amount	28,00,00,000	-	28,00,00,000
Year Ended Mar 31, 2019			
No. of Shares	2,80,00,000	-	2,80,00,000
Amount	28,00,00,000	-	28,00,00,000

Notes:

Particulars	No. of Shares
	Equity Shares with Voting rights
As at Mar 31, 2020	
Sunrise Initiative- Holding Trust	2,28,41,549
Ocean Blue Boating Pvt Ltd- Shareholder	51,58,451
As at Mar 31, 2019	
Sunrise Initiative- Holding Trust	2,28,41,549
Ocean Blue Boating Pvt Ltd- Shareholder	51,58,451

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at Mar 31, 2020		As at Mar 31, 2019	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Sunrise Initiative- Holding Trust	2,28,41,549	81.58%	2,28,41,549	81.58%
Ocean Blue Boating Pvt Ltd- Shareholder	51,58,451	18.42%	51,58,451	18.42%

MAHINDRA MARINE PRIVATE LIMITED

Note 4.1 : SOCE a Statement of changes in equity as at March 31, 2020

SOCE		Rupees
Equity share capital	Number of Shares	Equity share capital
Balance at Mar 31, 2018	2,80,00,000	28,00,00,000
Changes in equity share capital during the year	-	-
Balance at Mar 31, 2019	2,80,00,000	28,00,00,000
Changes in equity share capital during the year	-	-
Balance at Mar 31, 2020	2,80,00,000	28,00,00,000

The company has only one class of equity shares having par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

In terms of our report attached

For B.K.Khare & Co
Chartered Accountants
Firm Registration No.105102W

**For and on behalf of the Board of Directors of
Mahindra Marine Private Limited**

Shirish Rahalkar
Partner
Membership No.111212

Zhooben Bhiwandiwala
(DIN 00110373)

Sujay Chohan
Director
(DIN 00219032)

Sheetal Jain
Company Secretary
Membership No A40730

Place : Mumbai
Date : May 26,2020

Place : Mumbai
Date : May 26,2020

MAHINDRA MARINE PRIVATE LIMITED
Statement of changes in equity as at Mar 31, 2020

Note 4.2 :SOCEb. Other Equity

Rupees

March 31, 2019

Particulars	Reserve & Surplus- Retained earnings			
	Ind AS Transition Reserve	P&L balance	Other Comprehensive income	Total
Balance at March 31, 2018	5,01,763	(18,05,57,586)	6,35,132	(17,94,20,691)
Profit/(Loss)for the year	-	4,72,45,099	-	4,72,45,099
Other comprehensive income for the year, net of income tax	-	-	4,04,058	4,04,058
Balance at Mar 31, 2019	5,01,763	(13,33,12,487)	10,39,190	(13,17,71,534)

March 31, 2020

Particulars	Reserve & Surplus- Retained earnings			
	Ind AS Transition Reserve	P&L balance	Other Comprehensive income	Total
Balance at March 31, 2019	5,01,763	(13,33,12,487)	10,39,190	(13,17,71,534)
Profit/(Loss)for the year	-	95,25,959	-	95,25,959
Other comprehensive income for the year, net of income tax	-	-	1,23,868	1,23,868
Balance at Mar 31, 2020	5,01,763	(12,37,86,528)	11,63,058	(12,21,21,707)

In terms of our report attached
For B.K.Khare & Co
Chartered Accountants
Firm Registration No.105102W

**For and on behalf of the Board of Directors of
Mahindra Marine Private Limited**

Shirish Rahalkar
Partner
Membership No.111212

Zhooben Bhiwandiwala
Director
(DIN 00110373)

Sujay Chohan
Director
(DIN 00219032)

Sheetal Jain
Company Secretary
Membership No A40730

Place : Mumbai
Date : May 26,2020

Place : Mumbai
Date : May 26,2020

Note 4.3: Provisions

Particulars	As at Mar 31, 2020			As at Mar 31, 2019		
	Rupees					
	Current	Non- Current	Total	Current	Non- Current	Total
(a) Provision for employee benefits						
(1) Employee Benefits						
Gratuity	1,29,922	11,08,497	12,38,419	93,311	8,23,326	9,16,637
Leave Encashment	5,82,491	2,17,007	7,99,498	5,05,072	1,34,833	6,39,905
Bonus Payable	54,50,000	-	54,50,000	49,24,000	-	49,24,000
(b) Other Provisions						
Warranty claims	9,80,698	53,49,895	63,30,593	9,72,413	40,63,130	50,35,543
For Tax (AY2019-20)	-	-	-	61,51,507	-	61,51,507
Total	71,43,111	66,75,399	1,38,18,510	1,26,46,303	50,21,289	1,76,67,592

(j) Details of movement in other provisions

Particulars	Warranty claims	Other Provisions	Total
Balance at April 1, 2018	45,67,606	59,86,090	1,05,53,696
Additional provisions recognised	4,27,163	56,58,719	60,85,882
Amounts used (i.e. incurred and charged against the provision) during the period	(64,129)	(51,64,267)	(52,28,396)
Unused amounts reversed during the period	-	-	-
Winding of discount and effect of changes in the discount rate	(57,398)	-	(57,398)
Unwinding of discount and effect of changes in the discount rate	1,62,301	-	1,62,301
Balance at March 31, 2019	50,35,543	64,80,542	1,15,16,085
Balance at April 1, 2019	50,35,543	64,80,542	1,15,16,085
Additional provisions recognised	11,00,268	63,17,214	74,17,482
Amounts used (i.e. incurred and charged against the provision) during the period	(4,200)	(53,09,839)	(53,14,039)
Unused amounts reversed during the period	-	-	-
Winding of discount and effect of changes in the discount rate	(96,126)	-	(96,126)
Unwinding of discount and effect of changes in the discount rate	2,95,108	-	2,95,108
Balance at March 31, 2020	63,30,593	74,87,917	1,38,18,510

Warranty Claims:

Provision for warranty represents present value of management's best estimate of the future outflow of economic benefits that will be required in respect of sale of certain products, the estimated cost of which is accrued at the time of sale. Free warranty is provided depending on the parts of the product ranging from 1 to 5 years.

MAHINDRA MARINE PRIVATE LIMITED
Notes to the Financial statements as at March 31, 2020

Note 4.4: Trade Payables

Particulars	Rupees			
	As at Mar 31, 2020		As at Mar 31, 2019	
	Current	Non Current	Current	Non Current
Trade Payable-Other than Micro & Small Enterprises	6,76,23,648		6,67,14,924	-
Trade Payable- Micro & Small Enterprises				
(a) The principal amount remaining unpaid to any supplier at the end of each accounting year;	31,84,780		18,23,123	-
The interest due thereon remaining unpaid to any supplier at the end of each accounting year;	18,137		48,189	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;			-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act. 2006:			-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	3,34,954		2,86,765	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.			-	-
Total	7,11,61,519	-	6,88,73,001	-

Trade payable are payable in respect of the amount due on account of goods purchased or service received in the normal course of business.

MAHINDRA MARINE PRIVATE LIMITED
Notes to the Financial statements as at March 31, 2020

Note -4.6: Current Borrowings

Particulars	Rupees	
	As at Mar 31, 2020	As at Mar 31, 2019
A. Secured Borrowings		
Loans repayable on demand :		
(1) From Kotak Banks	4,38,66,535	-
(2) From Axis Bank	94,269	-
Total Secured Borrowings	4,39,60,804	-
B. Unsecured Borrowings		
Loans from related parties :		
(1) Inter-corporate Deposits	4,25,45,020	2,02,05,974
Total Unsecured Borrowings	4,25,45,020	2,02,05,974
Total Current Borrowings	8,65,05,824	2,02,05,974

Note:

The Cash Credit facility of Rs 4,38,66,535/- (Previous Year NIL) taken from Kotak Mahindra bank which has first pair passu charge on Fixed Assets , Inventory & book debts. The said facility is payable on Demand. The Interest rate on said facility is 8.85% ~9.35% p.a.

The Overdraft of Rs 94,269/- taken from Axis Bank in current year which has second pair passu charge on Fixed Assets , Inventory & book debts. The said facility is payable on Demand. The Interest rate on said facility is 8.65% p.a.

Inter-Corporate Deposits : The tenure of ICD is 90 days with the Interest rate @ 8.60% ~ 9.05%p.a.

MAHINDRA MARINE PRIVATE LIMITED
Notes to the Financial statements as at March 31, 2020

Note 4.7: Other Liabilities

Particulars	Rupees					
	As at Mar 31, 2020			As at Mar 31, 2019		
	Current	Non- Current	Total	Current	Non- Current	Total
a. Advances received from customer	1,49,918	-	1,49,918	79,200	-	79,200
b. Deferred Revenue	5,38,334	-	5,38,334	3,96,667	-	3,96,667
A. Others						
- Employee Recoveries and Employer Contributions	1,09,770	-	1,09,770	84,580	-	84,580
- Statutory Dues (Excise duty, service tax, VAT, TDS, GST etc)	4,28,795	-	4,28,795	5,76,660	-	5,76,660
Total	12,26,817	-	12,26,817	11,37,107	-	11,37,107

MAHINDRA MARINE PRIVATE LIMITED
Notes to the Financial statements as at March 31, 2020
Note No. 4.8 - Tangible Assets

Description of Assets	Rupees						Total
	Plant and Equipment - Freehold	Plant and Equipment - Leasehold Improvement	Office Equipment	Furniture and Fixtures	Batteries/Computer	Capital WIP	
I. Gross Block							
Balance as at 31 Mar, 2018	2,04,20,590	18,64,239	11,14,644	3,79,155	7,79,120	2,49,403	2,48,07,151
Additions	25,19,268	-	1,88,969	-	-	22,140	27,30,377
Disposals	-	-	-	-	-	1,89,663	1,89,663
Balance as at 31 Mar, 2019	2,29,39,858	18,64,239	13,03,613	3,79,155	7,79,120	81,880	2,73,47,865
Additions	3,52,051	-	54,230	-	88,050	-	4,94,331
Disposals	-	-	-	-	-	-	-
Balance as at 31 Mar, 2020	2,32,91,909	18,64,239	13,57,843	3,79,155	8,67,170	81,880	2,78,42,196
II. Accumulated depreciation							
Balance as at 31 Mar, 2018	1,05,90,266	18,64,239	9,58,387	3,04,672	6,85,132	-	1,44,02,696
Depreciation for the year	21,05,460	-	75,829	20,611	43,028	-	22,44,928
Eliminated on disposal of assets	-	-	-	-	-	-	-
Balance as at 31 Mar, 2019	1,26,95,726	18,64,239	10,34,216	3,25,283	7,28,160	-	1,66,47,624
Depreciation for the year	19,41,687	-	1,29,085	14,907	22,971	-	21,08,650
Eliminated on disposal of assets	-	-	-	-	-	-	-
Balance as at 31 Mar, 2020	1,46,37,413	18,64,239	11,63,301	3,40,190	7,51,131	-	1,87,56,274
Net Block (I-II) as on 31 Mar, 2020	86,54,496	-	1,94,542	38,965	1,16,039	81,880	90,85,922

Note: 1. Leasehold improvements are depreciated over minimum lease period.

2. Depreciation on tangible fixed assets is provided, on written down value based as per the useful lives prescribed in Schedule II to the Companies Act 2013.

3. No impairment losses have been recognized by the Company during the period under consideration.

MAHINDRA MARINE PRIVATE LIMITED
Notes to the Financial statements as at March 31, 2020

Note No. 4.9 - Other Intangible Assets

Rupees

Description of Assets	Computer Software	Other Intangible	Total
Intangible Assets- Cost			
Balance as at 31 Mar, 2018	3,00,627	89,32,400	92,33,027
Additions	10,800	-	10,800
Disposals	-	-	-
Balance as at 31 Mar, 2019	3,11,427	89,32,400	92,43,827
Additions	10,800	-	10,800
Disposals	-	-	-
Balance as at 31 Mar, 2020	3,22,227	89,32,400	92,54,627
II. Accumulated depreciation			
Balance as at 31 Mar, 2018	2,92,527	85,08,145	88,00,672
Amortisation expense for the year	6,300	1,50,782	1,57,082
Eliminated on disposal of assets	-	-	-
Balance as at 31 Mar, 2019	2,98,827	86,58,927	89,57,754
Amortisation expense for the year	6,300	1,50,544	1,56,844
Eliminated on disposal of assets	-	-	-
Balance as at 31 Mar, 2020	3,05,127	88,09,471	91,14,598
Net Block (I-II) as on 31 Mar, 2020	17,100	1,22,929	1,40,029
Notes: Additional disclosures			
Intangible Asset	Useful life adopted		
Computer Software	Amortized in 3 yrs.		
Other Intangibles- Designs	Amortized in 3 yrs		

MAHINDRA MARINE PRIVATE LIMITED
Notes to the Financial statements as at March 31, 2020

Note - 4.10: Inventories

Particulars	Rupees	
	As at Mar 31, 2020	As at Mar 31, 2019
At Cost		
(a) Raw materials	2,52,58,950	3,69,84,276
(b) Traded Goods	3,08,141	21,75,983
(c) Work-in-progress	2,27,74,800	65,81,863
(d) Finished and semi-finished goods	72,964	72,964
Total	4,84,14,855	4,58,15,087

MAHINDRA MARINE PRIVATE LIMITED
Notes to the Financial statements as at March 31, 2020

Note 4.12 - Trade receivables

Particulars			Rupees	
	As at Mar 31, 2020		As at Mar 31, 2019	
	Current	Non Current	Current	Non Current
Trade receivables :				
(a) Secured, considered good	-	-	-	-
(b) Unsecured, considered good	24,58,92,658	-	15,57,70,596	-
(c) Significant increase in credit risk	-	-	-	-
(d) Credit Impaired	55,26,588		39,36,480	-
Less: Allowance for Expected Credit Losses	55,26,588		39,36,480	
Total	24,58,92,658	-	15,57,70,596	-
of the above, trade receivable from :				
Related Parties	4,60,001		7,75,748	-
Other	24,54,32,657		15,49,94,848	-
Total	24,58,92,658		15,57,70,596	

Note 1. Trade receivables are dues in respect of goods sold or services rendered in the normal course of business.

MAHINDRA MARINE PRIVATE LIMITED
Notes to the Financial statements as at March 31, 2020

Note -4.13 : Cash and Bank Balances

Particulars	Rupees	
	As at Mar 31, 2020	As at Mar 31, 2019
Cash and cash equivalents		
(a) Unrestricted Balances with Schedules banks -In Current Account	19,465	61,80,983
(b) Cash in hand	17,322	61,031
Total [A]	36,787	62,42,014
Other Bank Balances		
Current Restricted cash and bank balances	98,27,410	1,03,91,437
Total [B]	98,27,410	1,03,91,437
Total [A+B]	98,64,197	1,66,33,452

Reconciliation of Cash and Cash Equivalents & other bank balances

Particulars	Rupees	
	As at Mar 31, 2020	As at Mar 31, 2019
Total Cash and Cash Equivalents	36,787	62,42,014
Add: Current Restricted cash and bank balances	98,27,410	1,03,91,437
Total	98,64,197	1,66,33,452

Notes

1. Of these deposits amounting to Rs. 98,27,410 (FY 19 Rs. 1,03,91,437) are kept as lien against Bank Guarantee and deposits amounting to Rs.98,27,410 (FY19 Rs. 1,03,91,437)are having original maturity of one year.

MAHINDRA MARINE PRIVATE LIMITED
Notes to the Financial statements as at March 31, 2020

Note 4.14 - Financial Assets

Particulars	Rupees					
	As at Mar 31, 2020			As at Mar 31, 2019		
	Current	Non- Current	Total	Current	Non- Current	Total
Financial Assets measured at amortised cost						
a) Security Deposits						
(i) Secured, considered good	9,24,157	-	9,24,157	10,70,457	-	10,70,457
Less: Allowance for Bad & Doubtfull (EMD)	(40,000)	-	(40,000)	(40,000)	-	(40,000)
Total (A)	8,84,157	-	8,84,157	10,30,457	-	10,30,457
b) Interest Receivable						
(i) Interest accrued on deposits, loans and advances	73,815	-	73,815	89,000	-	89,000
Total (B)	73,815	-	73,815	89,000	-	89,000
Total [A+B]	9,57,972	-	9,57,972	11,19,457	-	11,19,457

MAHINDRA MARINE PRIVATE LIMITED
Notes to the Financial statements as at March 31, 2020

Note 4.15 - Other non-current and current assets

Particulars	Rupees					
	As at Mar 31, 2020			As at Mar 31, 2019		
	Current	Non- Current	Total	Current	Non- Current	Total
a) Prepayments						
Advance to Creditors	2,77,241	-	2,77,241	19,28,396	-	19,28,396
Staff Advance	17,986	-	17,986	53,022	-	53,022
Prepaid Expenses	1,50,894	-	1,50,893	4,68,009	-	4,68,009
b) (i) Advance income tax (TDS Receivable)	1,35,396	-	1,35,396	3,52,605	-	3,52,605
(ii) MVAT Credit (AY19-20)	-	-	-	61,87,000	-	61,87,000
c) Balances with government authorities						
Unsecured, considered good						
(i) GST credit receivable	1,56,53,814	-	1,56,53,814	1,67,98,203	-	1,67,98,203
Total	1,62,35,331	-	1,62,35,330	2,57,87,236	-	2,57,87,236

Note: The Company has opted a new tax regime u/s 115BAA where income is taxable at the rate 22% plus surcharge and cess. However, this benefit shall be available when total income of the company is computed without claiming specified deductions, incentives, exemptions and additional depreciation available under the Income-tax Act. Also the company will not be eligible to claim MAT credit and hence entire credit is charged to profit & loss account.

MAHINDRA MARINE PRIVATE LIMITED
Notes to the financial statements as at March 31, 2020

Note 5.1: Revenue from Operations

Rupees

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Revenue from sale of goods	20,86,67,516	25,77,57,485
(b) Revenue from rendering of services	60,73,333	17,33,333
(c) Other operating income	(1,10,985)	2,03,450
Total	21,46,29,864	25,96,94,268

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) Sale of products comprises:		
(a) <u>Manufactured goods</u>		
Sales of Products -Boats (Gross)	16,99,57,749	21,30,89,948
(b) <u>Traded goods</u>		
Sales of Spare parts etc (Gross)	3,87,09,767	4,46,67,537
(ii) Sale of services comprises:		
Maintenance & Servicing Income	60,73,333	17,33,333
(iii) Other operating revenues comprise:		
Sale of scrap	49,015	43,450
Transportation	(1,60,000)	1,60,000
Duty drawback and other export incentives	-	-
Total	21,46,29,864	25,96,94,268

MAHINDRA MARINE PRIVATE LIMITED

Notes to the financial statements as at March 31, 2020

Note 5.2 : Other Income

Particulars	Rupees	
	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) Interest Income		
On Financial Assets at FVTPL- Bank Deposits	6,88,552	5,99,645
(ii) Net gain/(loss) arising on financial assets designated as at FVTPL	-	7,23,268
(iii) Other Non Operating Income	3,28,808	69,466
(iv) Write back of Credit Balance	-	208
(v) Interest on IT Refund	28,247	-
Total	10,45,607	13,92,586

MAHINDRA MARINE PRIVATE LIMITED

Notes to the financial statements as at March 31, 2020

Note 5.3 : Cost of materials consumed

Particulars	Rupees	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening stock	3,69,84,276	1,78,56,349
Add: Purchases	13,09,68,296	13,87,66,621
	16,79,52,572	15,66,22,971
Less: Closing stock	2,52,58,950	3,69,84,276
Cost of materials consumed	14,26,93,622	11,96,38,694

Note 5.4 : Other Manufacturing Expenses

Particulars	Rupees	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Labour Cost	1,22,48,928	94,63,256
Other Manufacturing Expenses	12,49,555	18,08,957
TOTAL	1,34,98,483	1,12,72,213

Note 5.5 Changes in inventories of finished goods and work-in-progress

Particulars	Rupees	
	For the year ended March 31, 2020	For the year ended March 31, 2019
<u>Inventories at the end of the year:</u>		
Finished goods	72,964	72,964
Work-in-progress	2,27,74,800	65,81,863
Traded Goods	3,08,141	21,75,983
	2,31,55,905	88,30,810
<u>Inventories at the beginning of the year:</u>		
Finished goods	72,964	72,964
Work-in-progress	65,81,863	1,93,78,318
Traded Goods	21,75,983	1,61,53,678
	88,30,810	3,56,04,961
Net (increase) / decrease	(1,43,25,095)	2,67,74,150

MAHINDRA MARINE PRIVATE LIMITED
Notes to the financial statements as at March 31, 2020

Note 5.6: Employee Benefits Expense

Particulars	Rupees	
	For the year ended March 31, 2020	For the year ended March 31, 2019
<i>(a)</i> Salaries and wages, including bonus	2,47,40,034	2,39,28,414
<i>(b)</i> Contribution to provident and other funds	3,68,414	3,39,941
<i>(c)</i> Termination benefit	2,54,199	2,89,663
<i>(d)</i> Staff welfare expenses	2,58,535	1,41,313
Total	2,56,21,182	2,46,99,331

MAHINDRA MARINE PRIVATE LIMITED
Notes to the financial statements as at March 31, 2020

Note 5.7 : Finance Cost

Rupees

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Other interest expense	55,54,891	27,33,673
Other borrowing cost	10,47,880	15,52,675
Total	66,02,771	42,86,348

MAHINDRA MARINE PRIVATE LIMITED
Notes to the financial statements as at March 31, 2020
Note 5.8 : Other Expenses

Particulars	Rupees	
	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Power & Fuel oil consumed	5,16,284	6,16,883
(b) Freight and handling charges	7,67,328	5,72,470
(c) Rent including lease rentals	47,42,135	45,39,144
(d) Repairs and maintenance - Others	21,31,775	28,18,533
(e) Rates and taxes	(3,03,955)	21,06,396
(f) Insurance charges	2,24,051	1,13,555
(g) Provision for doubtful debts and advances	15,90,108	15,57,884
(h) Payment to Auditors (refer note no 11.07)	2,40,306	2,72,176
(i) Legal and other professional costs	24,66,532	53,80,617
(j) Advertisement, Promotion & Selling Expenses	5,91,354	5,32,288
(k) Travelling Expenses	23,25,664	27,35,140
(l) Other General Expenses	21,71,602	25,30,706
(m) Warranty Expenses	12,99,250	5,32,067
(n) Interest to Medium and Small Enterprises	18,137	48,189
(o) Foreign exchange gain/(loss)	16,04,131	4,12,962
(p) Liquidate Damage Charges	32,72,001	-
Total	2,36,56,703	2,47,69,009

Break -up of Other General Expenses :

Particulars	Rupees	
	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Provident Fund admin charges	36,156	30,088
(b) Courier Charges	28,431	29,951
(c) Printing & Stationery	1,21,399	1,36,956
(d) Sundry Expenses	4,62,809	8,07,124
(e) Telephone Expenses	1,91,714	2,25,108
(f) Tender Fees	8,900	17,200
(g) Water Charges	94,938	81,379
(h) Membership & Subscription Exp	-	4,000
(i) Penalty on Transportation of Goods	-	38,600
(j) Interest on Delayed Payment-Rent	3,29,884	3,00,098
(k) Interest on Income Tax (MAT)	34,575	4,06,000
(l) Interest on Delayed Payment of Custom Duty	-	1661
(m) Interest on Delayed Payment of MLWF	-	16
(n) Interest on Annual Custody Fee (NSDL)	-	1110
(o) Interest on GST	1,71,885	1414
(p) Interest on Delayed Payment-PF	232	-
(q) Interest on TDS	722	-
(r) Security Charges	4,83,750	4,50,000
(s) Service Charges (non- taxable)	3,617	-
(t) Prior Period Expenses	3,785	-
(u) Penalty on Non Payment of GST	632	-
(v) Temporary Shed Rent Charges	12,700	-
(w) Write back of Debit Balance	1,85,473	-
Total	21,71,602	25,30,706

Note 6 : Disclosure pursuant to Employee Benefit's

(a) Defined Contribution Plan

The Company's provident fund scheme (including pension fund scheme for eligible employees) is a defined contribution plan. The expenses charged to the Statement of Profit and Loss under the head Contribution to Provident Fund is **Rs.3,68,414/-** (PY: Rs. 3,39,941/-).

(b) Defined Benefit Plans:

Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service. There is an increase in Gratuity provision by **Rs 321782/-** as per valuation (increase in PY: **Rs. 1,28,478/-**).

Leave salary (Short term compensated Absence)

The leave salary is payable at the basic salary for maximum of 12 days privilege leave outstanding at the year-end based on 22 working days which shall end-cashed within 10 months from the end of the financial year. There is an increase in Leave Encashment provision by **Rs. 159593/-** as per valuation (decrease in PY: **Rs. 93,647/-**)

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

	Gratuity Valuation as at		Compensated Leave Valuation as at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Discount rate(s)	6.94%	6.94%	6.94%	6.94%
Expected rate(s) of salary increase	12.00%	12.00%	12.00%	12.00%
Average Longevity	5.35	5.35	5.35	5.35
Employee attrition Rate (past services (PS)	15%	15%	15%	15%

Defined benefit plans – as per actuarial valuation on March 31, 2020

Particulars	Rupees			
	Unfunded Plans Gratuity		Unfunded Plans Leave Encashment	
	2020	2019	2020	2019
Ia. Expense recognised in the Statement of Profit and Loss for the year ended 31st March:				
PVO at the beginning of period	9,16,637	7,88,711	1,52,942	1,05,051
1. Current service cost	1,93,822	2,31,377	2,76,653	3,36,999
2. Benefit Paid	-	-	(4,740)	(52,021)
3. Interest cost	60,377	57,734	9,986	5,786
4. Past Service Cost- (non vested benefits)	-	-	-	-
5. Past Service Cost -(vested benefits)	-	-	-	-
Ib. Included in other Comprehensive Income				
1. Return on plan assets	-	-	-	-
2. Actuarial (Gain)/Loss on account of :	67,583	(1,61,185)	(1,91,451)	(2,42,873)
- Demographic Assumptions	-	-	-	-
- Financial Assumptions	1,03,816	23,497	20,685	3,883
- Experience Adjustments	(36,233)	(1,84,682)	(2,12,136)	(2,46,756)
3. Others (specify)	-	-	-	-
I. Net Asset/(Liability) recognised in the Balance Sheet as at March 31				
1. Present value of defined benefit obligation as at 31st March	12,38,419	9,16,637	2,43,390	1,52,942
2. Fair value of plan assets as at 31st March	-	-	-	-
3. Surplus/(Deficit)	-	-	-	-
4. Current portion of the above	1,29,922	93,311	5,05,072	5,05,072
5. Non current portion of the above	11,08,497	8,23,326	1,34,833	1,34,833
II. Change in the obligation during the year ended March 31				
1. Present value of defined benefit obligation at the beginning of the year	9,16,637	7,88,711	1,52,942	1,05,051
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-	-	-
3. Expenses Recognised in Profit and Loss Account				
- Current Service Cost	1,93,822	2,31,377	2,76,653	3,36,999
- Benefit Paid	-	-	(4,740)	(52,021)
- Interest Expense (Income)	60,377	57,734	9,986	5,786
- Past service cost (non-vested benefit)	-	-	-	-
- Past service cost (vested benefit)	-	-	-	-
4. Recognised in Other Comprehensive Income				
- Actuarial Gain (Loss) arising from:	67,583	(1,61,185)	(1,91,451)	(2,42,873)
i. Demographic Assumptions	-	-	-	-
ii. Financial Assumptions	1,03,816	23,497	20,685	3,883
iii. Experience Adjustments	(36,233)	(1,84,682)	(2,12,136)	(2,46,756)
5. Benefit payments	-	-	-	-
6. Others (Specify)	-	-	-	-
7. Present value of defined benefit obligation at the end of the year	12,38,419	9,16,637	2,43,390	1,52,942
III. Change in fair value of assets during the year ended March 31				
1. Fair value of plan assets at the beginning of the year	-	-	-	-
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-	-	-
3. Expenses Recognised in Profit and Loss Account				
- Expected return on plan assets	-	-	-	-
4. Recognised in Other Comprehensive Income				
- Actual Return on plan assets in excess of the expected return	-	-	-	-
- Others (specify)	-	-	-	-
5. Contributions by employer (including benefit payments recoverable)	-	-	4,740	52,021
6. Benefit payments	-	-	(4,740)	(52,021)
	-	-	-	-

The sensitivity of Gratuity in the weighted principal assumptions is:

Principal assumption		Changes in assumption	Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	2020	1.00%	11,54,710	13,33,638
Salary growth rate	2020	1.00%	13,19,989	11,64,214
Discount rate	2019	1.00%	8,57,069	9,84,101
Salary growth rate	2019	1.00%	9,75,567	8,63,034

The sensitivity of leave in the weighted principal assumptions is:

Discount rate	2020	1.00%	2,26,705	2,62,410
Salary growth rate	2020	1.00%	2,60,052	2,28,397
Discount rate	2019	1.00%	1,43,107	1,64,090
Salary growth rate	2019	1.00%	1,62,791	1,44,048

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

VIII. Experience Adjustments :	Period Ended				
	2016	2017	2018	2019	2020
	Gratuity				
1. PVO at the end of period	5,20,969	8,81,728	7,88,711	9,16,637	12,38,419
2. Fair value of plan assets	-	-	-	-	-
3. Surplus/(Deficit)	(4,16,031)	(5,20,969)	(7,88,711)	(9,16,637)	(12,38,419)
4. Experience adjustment on plan liabilities/Assets [(Gain)/Loss]	-	-	-	-	-
	Compensated PL				
1. Defined Benefit Obligation	1,01,232	1,57,023	1,05,051	1,52,942	2,43,390
2. Plan assets	-	-	-	-	-
3. Surplus/(Deficit)	(1,01,232)	(1,57,023)	(1,05,051)	(1,52,942)	(2,43,390)
4. Experience adjustment on plan liabilities [(Gain)/Loss]	-	-	-	-	-

Maturity profile of defined benefit obligation:	Gratuity	Gratuity	Leave Encashment	Leave Encashment
Expected Payout	2020	2019	2020	2019
Within 1 year	1,29,922	93,311	26,383	18,109
1 - 2 year	1,26,621	99,019	25,092	17,225
2 - 3 year	1,20,417	1,00,268	23,684	16,382
3 - 4 year	1,16,488	95,343	22,697	15,576
4 - 5 year	1,12,127	91,862	21,586	14,813
5 - 10 years	5,10,183	3,95,351	93,351	63,793

Mahindra Marine Private Limited
Notes to the financial statements for the year ended 31 Mar 2020

Note 7 - Financial Instruments

7.1 Capital management

The company's capital management objectives are:

- to ensure the company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position.

The company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

	<u>March 31, 2020</u>	<u>March 31, 2019</u>
Equity	15,78,78,293	14,82,28,466
Equity attributable to the owners of the Company	15,78,78,293	14,82,28,466

Note:

The entity bases above capital management disclosures on the information provided internally to key management personnel. [Ind AS 1.135]

7.2 Categories of financial assets and financial liabilities

As at Mar 31, 2020

	Amortised Costs	FVTPL	FVOCI	Total
Current Assets				
Investments	-	-	-	-
Trade Receivables	24,58,92,658	-	-	24,58,92,658
Other Bank Balances	98,27,410	-	-	98,27,410
Cash and Cash Equivalents	36,787	-	-	36,787
Other Financial Assets				
- Non Derivative Financial Assets	9,57,972	-	-	9,57,972
- Derivative Financial Assets	-	-	-	-
Current Liabilities				
Trade Payables	7,11,61,519	-	-	7,11,61,519
Other Financial Liabilities				
- Non Derivative Financial Liabilities	-	-	-	-
- Derivative Financial Liabilities	-	-	-	-

7.3 Categories of financial assets and financial liabilities

As at March 31, 2019

	Amortised Costs	FVTPL	FVOCI	Total
Current Assets				
Investments	-	-	-	-
Trade Receivables	15,57,70,596	-	-	15,57,70,596
Other Bank Balances	1,03,91,437	-	-	1,03,91,437
Cash and Cash Equivalents	62,42,014	-	-	62,42,014
Other Financial Assets				
- Non Derivative Financial Assets	11,19,457	-	-	11,19,457
- Derivative Financial Assets	-	-	-	-
Current Liabilities				
Trade Payables	6,88,73,001	-	-	6,88,73,001
Other Financial Liabilities				
- Non Derivative Financial Liabilities	-	-	-	-
- Derivative Financial Liabilities	-	-	-	-

7.4 Maturities of financial Assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

As at Mar 31, 2020

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
	INR	INR	INR	INR
Non-derivative financial Assets				
March 31, 2020				
Non-interest bearing	24,68,13,602	-	-	-
Variable interest rate instruments	-	-	-	-
Fixed interest rate instruments	99,01,225	-	-	-
Total	25,67,14,827	-	-	-
March 31, 2019				
Non-interest bearing	16,30,43,067	-	-	-
Variable interest rate instruments	-	-	-	-
Fixed interest rate instruments	1,04,80,437	-	-	-
Total	17,35,23,505	-	-	-

7.5 Maturities of financial liabilities

Liquidity Risk

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
	INR	INR	INR	INR
Non-derivative financial Liabilities				
31 March 2020				
Non-interest bearing	7,11,61,519	-	-	-
Variable interest rate instruments	-	-	-	-
Fixed interest rate instruments	-	-	-	-
Total	7,11,61,519	-	-	-
31 March 2019				
Non-interest bearing	6,88,73,001	-	-	-
Variable interest rate instruments	-	-	-	-
Fixed interest rate instruments	-	-	-	-
Total	6,88,73,001	-	-	-

Currency Risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's / Company's exposure to currency risk relates primarily to the Company's operating activities and borrowings when transactions are denominated in a different currency from the Company's functional currency.

7.6 Unhedged foreign Currency Exposure

Purpose	Currency	As at Mar 31, 2020		As at March 31, 2019	
Payable	USD	1,98,937	1,49,97,047	4,19,631	2,95,84,982
Payable	AUD	5,722	2,64,756	-	-

Note 8 : Fair Value Measurement

8.1 Fair Valuation Techniques and Inputs used - recurring Items

Financial assets/ financial liabilities measured at Fair value	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
	March 31, 2020	March 31, 2019				
Financial assets						
Investments						
1) Equity investments	-	-	-	-	-	-
2) Mutual fund investments	-	-	Level 2	Market Approach	-	-

8.2 Fair value of financial assets and financial liabilities that are not measured at fair value

Particulars	Rupees			
	March 31, 2020		March 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
<u>Financial assets carried at amortised cost</u>				
– trade and other receivables	24,58,92,658	24,58,92,658	15,57,70,596	15,57,70,596
– Cash and Cash Equivalents	36,787	36,787	62,42,014	62,42,014
– Other Bank Balances	98,27,410	98,27,410	1,03,91,437	1,03,91,437
– Other Financial Assets	9,57,972	9,57,972	11,19,457	11,19,457
Total	25,67,14,827	25,67,14,827	17,35,23,505	17,35,23,505
Financial liabilities				
<u>Financial liabilities held at amortised cost</u>				
– trade and other payables	7,11,61,519	7,11,61,519	6,88,73,001	6,88,73,001
Total	7,11,61,519	7,11,61,519	6,88,73,001	6,88,73,001

Note No. 10 - Revenue from contract with customers

A. Country-wise break up of Revenue:

Current Year

Country	Rupees				
	Revenue from contracts with customers (IndAS 115)	Revenue from operations from other than customers	Total Revenue from Operations	Other Income	Total Income
India	21,47,40,849	-	21,47,40,849	9,34,622	21,56,75,471
Outside India	-	-	-	-	-
Total	21,47,40,849	-	21,47,40,849	9,34,622	21,56,75,471

Previous Year

Country	Rupees				
	Revenue from contracts with customers (IndAS 115)	Revenue from operations from other than customers	Total Revenue from Operations	Other Income	Total Income
India	25,94,90,818	-	25,94,90,818	15,96,036	26,10,86,854
Outside India	-	-	-	-	-
Total	25,94,90,818	-	25,94,90,818	15,96,036	26,10,86,854

B. Breakup of Revenue into contracts entered in previous year and in current year

Particulars	31-Mar-20	31-Mar-19
Revenue from PO/ contract / agreement entered into previous year	20,80,38,189	17,19,52,444
Revenue from New PO/ contract / agreement entered into current year	67,02,660	8,75,38,374
Total Revenue recognised during the period	21,47,40,849	25,94,90,818

C. Reconciliation of revenue from contract with customer

Particulars	31-Mar-20	31-Mar-19
Revenue from contract with customer as per the contract price	21,47,40,849	25,94,90,818
Adjustments made to contract price on account of :-		
a) Discounts / Rebates / Incentives	-	-
b) Sales Returns / Reversals	-	-
c) Deferment of revenue	-	-
d) Changes in estimates of variable consideration	-	-
e) Recognition of revenue from contract liability out of opening balance of contract liability	-	-
f) Any other adjustments	-	-
Revenue from contract with customer as per the statement of Profit and Loss	21,47,40,849	25,94,90,818

D. Break-up of Provision for Expected Credit Losses recognised in P&L

Particulars	31-Mar-20	31-Mar-19
Expected Credit loss recognised during the year on trade receivables	15,90,108	15,57,884
Expected Credit loss recognised during the year on contract assets	-	-
Expected Credit loss recognised during the year on others	-	-
Expected Credit loss recognised during the year on loan related assets (applicable only to MMFSL and MRHFL)	-	-
Total	15,90,108	15,57,884

Mahindra Marine Private Limited
Notes to the financial statements for the year ended 31 Mar 2020

Note 11 - Current Tax and Deferred Tax

Deferred tax assets have not been recognised in respect of following items, because it is not probable that future taxable profit will be available against which the Company can use the benefit therefrom.

Particulars	Rupees	
	As at Mar 31, 2020	As at March 31, 2019
Fixed Assets	8,89,195	9,93,767
Provision for employee benefits	1,52,900	63,538
Accumulated Losses	2,35,67,722	3,42,67,043
Unabsorbed Depreciation	-	45,96,240
Others	19,48,121	16,27,294
Total	2,65,57,939	4,15,47,883

The above table only refers to the calculation of deferred tax assets. Since there is no certainty of future tax profits to absorb the deferred tax asset calculated today, deferred tax asset is not recognized on prudence basis.

Note 12 - Additional Information to the Financial Statements

Rupees

12.1 Value of imports calculated on CIF basis:	For the year ended Mar 31, 2020	For the year ended March 31, 2019
Raw materials	8,13,90,675	9,22,38,424
Components and spare parts	-	-
Capital goods	-	-

12.2 Expenditure in foreign currency on account of:	For the year ended Mar 31, 2020	For the year ended March 31, 2019
Travelling Expenses	1,31,250	1,23,582

12.3 Details of consumption of imported and indigenous items	For the year ended Mar 31, 2020	For the year ended Mar 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2019
		%		%
<u>Imported</u>				
Raw materials	-	-	-	-
Components	9,21,97,789 (10,23,99,244)	72% 48%	10,23,99,244 (3,83,89,171)	70% 35%
Spare parts	-	-	-	-
Total	9,21,97,789 12,83,68,528	72% 100%	10,23,99,244 14,64,12,844	70% 100%
<u>Indigenous</u>				
Raw materials	3,61,70,739 (4,40,13,600)	28% 52%	4,40,13,600 (4,22,49,167)	30% 65%
Total	3,61,70,739 12,83,68,528	28% 100%	4,40,13,600 14,64,12,844	30% 100%

Note: Figures / percentages in brackets relate to the previous year

12.4 Details of consumption of imported and indigenous items	For the year ended Mar 31, 2020		
	Sales	Closing Inventory	Opening Inventory
Manufactured Goods Boats	16,99,57,749 (21,30,89,948)	2,26,90,848 (65,81,863)	65,81,863 (1,93,78,318)
Materials and components	3,87,09,767 (4,46,67,537)	2,53,66,416 (3,91,60,259)	3,91,60,259 (3,40,10,028)
Others	60,73,333 (17,33,333)	72,964 (72,964)	72,964 (72,964)
TOTAL	21,47,40,849 (25,94,90,818)	4,81,30,228 (4,58,15,086)	4,58,15,086 (5,34,61,310)

* Previous year figures are in brackets

* All the above figures are excluding excise duty

12.5 Operating Lease

Future minimum lease payment under non-cancellable operating leases is as follows:

Particulars	As at Mar 31, 2020	As at March 31, 2019
Not later than one year	-	42,62,328
Later than one year and not later than five years	-	-
Later than five years	-	-

The new agreements for 36 months has expired on March 31, 2020 with a non-cancellation period and having a renewal clause.

12.6 Leases (As per IND-AS 116) :

The Company is required to adopt Ind AS 116, Leases from 1 April 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

The Company has completed an initial assessment of the potential impact on its financial statements but has not yet completed its detailed assessment. The quantitative impact of adoption of Ind AS 116 on the financial statements during the period of initial application is not reasonably estimable as at present.

12.7 Auditor Remuneration:	For the year ended Mar 31, 2020	For the year ended March 31, 2019
As Auditor	1,25,000	1,20,000
For taxation matter	50,000	50,000
For Other Services	60,000	1,00,000
For reimbursement of expenses	5,306	2,176
* Exclusive of GST		
12.8 Contingent Liabilities & Commitments:	As at Mar 31, 2020	As at March 31, 2019
Claims against the Company not acknowledged as debts	-	-
Guarantees:		
i) Performance Bank Guarantee issued by the banks	9,55,81,538	8,57,80,339
ii) Custom Bond	11,45,700	1,53,97,436
Demands against the Company not acknowledged as debts and not provided for, relating to issues of deductibility and taxability in respect of which the Company is in appeal :		
i) MVAT Liability (FY2011-12)	76,032	76,032
Commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances already made) and not provided for is	-	-
12.9 Earning Per Share	As at March 31, 2020	As at March 31, 2019
Particulars		
Basic Earnings per Share		
Profit/(Loss) attributable to Equity shareholders	96,49,827	4,76,49,157
Weighted average number of equity shares	2,80,00,000	2,80,00,000
Earnings Per Share - Basic and Diluted	0.34	1.70
Face value per Share	10	10
12.10 Segment Reporting		
The company operates only in one business segment viz. boats and yachts.		
12.11 : In the opinion of the Board, all of the assets other than fixed assets and non-current investments, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.		
12.12 : These includes valuation of inventories, fair valuation of financial and non-financial assets and liabilities, going concern assessment etc. requiring significant management judgement in estimating the same. Considering the continuing COVID-19 pandemic, the results in upcoming period may significantly vary and may affect the recoverability of assets and settlement of liabilities. The Company, based on internal & external sources of information including market research, economic forecast and other information, has assessed that as a result of Covid-19 outbreak, there is no significant financial impact on the financial statements for the year ended March 31, 2020 as at the date of approval of these financial statements. The management on the basis of internal evaluation, believes that the provision for expected credit losses on trade receivables is adequate and the estimate has not been affected materially by the impact of Covid 19 pandemic.		
12.13 Previous year's figures are regrouped / reclassified wherever necessary to conform with those of the current year.		
In terms of our report attached.		
For B.K.Khare & Co Chartered Accountants Firm Registration No.105102W	For and on behalf of the Board of Directors of Mahindra Marine Private Limited	
Shirish Rahalkar Partner Membership No.111212	Zhooben Bhiwandiwala Director (DIN 00110373)	Sujay Chohan Director (DIN 00219032)
		Sheetal Jain Company Secretary Membership No A40730
Place : Mumbai Date : May 26,2020	Place : Mumbai Date :May 26,2020	