

Date: 07/09/2024

To,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051

Dear Sir/Ma'am,

Sub: Submission of Annual Report for the Financial Year 2023-24

Ref: Polysil Irrigation Systems Limited (Symbol: POLYSIL)

This is with reference to captioned subject and pursuant to Regulation 34(1) of Securities Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015, we hereby enclosed herewith Annual Report for the financial year 2023-24.

Request you to please take the same on your records.

Thanking you,

Yours faithfully,


For, Polysil Irrigation Systems Limited
(Formerly known as Polysil Irrigation Systems Private Limited)

Bharkumar Patel
CEO & Managing Director
DIN: 07780251

Place: Vadodara

POLYSIL IRRIGATION SYSTEMS LIMITED

Survey No.: 340/1, At & Post - Raniya, Sakarda-Raniya Road, Ta - Savli, Dist.- Vadodara - 391780, Gujarat, INDIA.

 +91 02667-244271/2/5

 info@polysilirrigation.com

 www.polysilirrigation.com

(Formerly known as Polysil Irrigation Systems Private Limited)

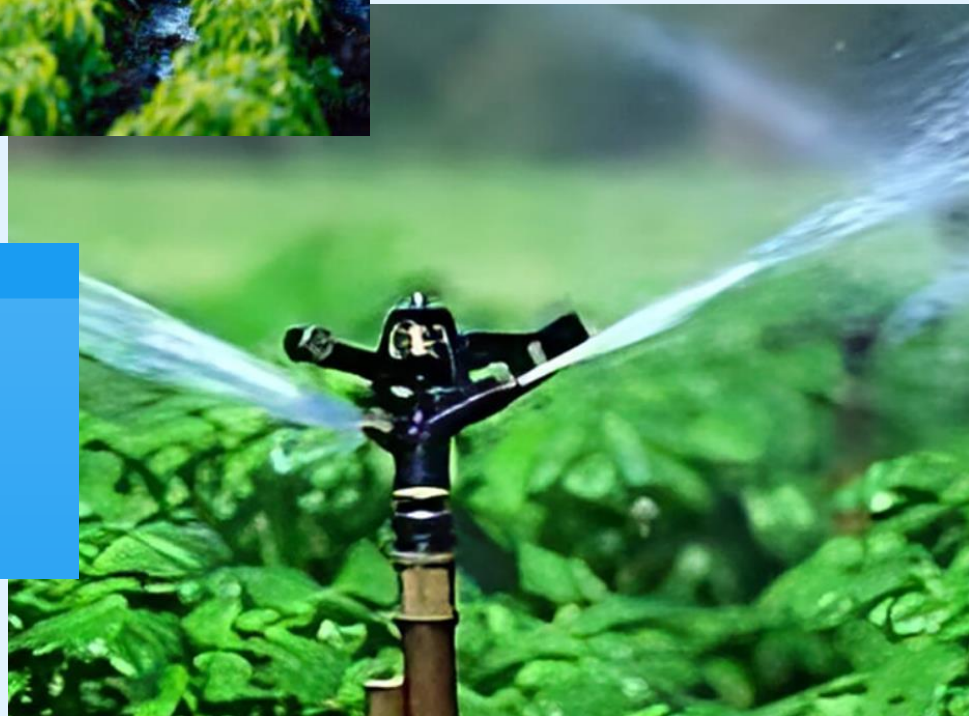


POLYSIL
SHAPING WATER



ANNUAL REPORT 2023-24

**To Be
The Saathī of
Farmer's Success.**



POLYSIL IRRIGATION SYSTEMS LIMITED

INSIDE THIS REPORT

POLYSIL IRRIGATION SYSTEMS LIMITED

CIN: U17100GJ1985PLC127398

Sr. No.	Particulars	Page
1.	Corporate Information	1
2.	Board of Director's Report	2
	Annexure to the Board of Director's Report	
	Annexure – A – FORM NO. AOC-2 - Particulars of Contracts / Arrangements Made With Related Parties	12
	Annexure – B – Particulars of Employees	13
	Annexure – C – Secretarial Audit Report	14
	Annexure – D – Declaration by The Chief Executive Officer	16
	Management Discussion And Analysis Report	17
3.	Financial Section (Standalone)	
	Independent Auditor's Report	22
	Statement of Balance sheet	30
	Statement of Profit & Loss Account	31
	Statement of Cash Flow	32
	Notes forming part of Financial Statement	33
4.	Notice of Annual General Meeting	54

CORPORATE INFORMATION

POLYSIL IRRIGATION SYSTEMS LIMITED

(Formerly known as Polysil Irrigation Systems Private Limited)

CIN: U17100GJ1985PLC127398

BOARD OF DIRECTORS

Mr. Bharatkumar Patel	Managing Director and CEO
Mr. Prafulbhai Radadia	Whole-Time Director
Mr. Anilkumar Singh	Non-Executive Director
Ms. Mona Patel	Independent Director
Mr. Bipinkumar Hirpara	Independent Director

AUDIT COMMITTEE

Mona Patel	Chairperson
Bipinkumar Hirpara	Member
Bharatkumar Patel	Member

CHIEF FINANCIAL OFFICER

Mr. Het Bharatbhai Savani

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Nidhi Pratikkumar Shah

REGISTERED OFFICE

Survey No- 340/1, Beside Hystuff Steel At Post Raniya, Taluka Savli, District Vadodara, Raniya Taluka, Savli, Vadodara- 391780, Gujarat, India.

Tel No.: +9102667-244271/2/5; **Email:** info@polysilirrigation.com

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Bipinkumar Hirpara	Chairperson
Mona Patel	Member
Bharatkumar Patel	Member

NOMINATION AND REMUNERATION COMMITTEE

Bipinkumar Hirpara	Chairperson
Mona Patel	Member
Anilkumar Singh	Member

MANUFACTURING UNIT

RS NO.340/1, Beside Hystuff Steel, Village Rania, Taluka. Savli, Dist. Vadodara Manjusar, Vadodara, Gujarat, India.

Tel No.: +91 73836 80150; **Web:** www.polysilirrigation.com

STATUTORY AUDITOR

M/s. Ratan Chandak & Co.,

1701, Haware Infotech Park, Plot No. 39/3, Sector-30A, Nr. Vashi Rly Stn, Navi Mumbai, Navi Mumbai – 400705, Maharashtra, India

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Private Limited

A-802, Samudra Complex, Near Klassic Gold Hotel, Off C.G Road, Navrangpura, Ahmedabad – 380 009

Tel No.: +91 79 4002 4135; **Email:** bssahd@bigshareonline.com

SECRETARIAL AUDITOR

M/s. Hardik Jetani & Associates

317, Vishala Supreme, S P Ring Road, Nikol, Ahmedabad – 382 350, Gujarat, India

BANKERS

Union Bank of India

BOARD OF DIRECTOR'S REPORT

Dear Shareholders,

The Board of Directors hereby submits the report of the business and operations of Polysil Irrigation Systems Limited ("the Company"), along with the audited financial statements, for the financial year ended March 31, 2024.

CORPORATE OVERVIEW:

Polysil Irrigation Systems Limited was originally incorporated as a private company in the name and style of "Silvassa Poly-Tex Industries (India) Private Limited". Further, the name of the Company was changed to "Silvassa Pipes Private Limited" and then subsequently to "Polysil Irrigation Systems Private Limited". The Company was then converted into a public limited company and consequently upon conversion, the name of our Company was changed to "Polysil Irrigation Systems Limited".

To raise the equity capital, the company has approached the National Stock Exchange of India limited (NSE) in the year 2023 and the company has received In-Principle approval for proposed Initial Public Offering as on January 05, 2024. The Company got listed on the NSE - EMERGE Platform on February 16, 2024.

Company sells their products through distributors and dealers, who then resell the products to customers i.e. farmers. Currently, company sold products through 8 distributors and around 425 dealers in India. The Company operates in the state of Gujarat, Tamil Nadu, Maharashtra, Andhra Pradesh, Karnataka, Madhya Pradesh, Uttar Pradesh, Rajasthan and Haryana. They also operate in the State of Maharashtra, Madhya Pradesh and Rajasthan through our dealer / distributor network and in the State of Andhra Pradesh, Gujarat Tamil Nadu, Haryana and Uttar Pradesh under institutional model.

The Company strive towards all-round growth, so it not only grows bigger but also stronger together. The Company see further growth opportunities ahead by innovating with customers in new markets; seeing Globe as its Market and never hesitate to accept a business opportunity overseas. The Company's approach is to diversify and to reach out for new developments and in-depth research to provide solutions has granted an edge to reach new markets.

FINANCIAL YEAR 2023-24 AT GLANCE:

Financial Highlights

(INR In Lakhs)

Particulars	F.Y. 2023-24	F.Y. 2022-23
Revenue from Operations	4,446.42	4,387.66
Other Income	10.11	4.83
Total Income	4,456.53	4,392.49
Less: Total Expenses before Depreciation, Finance Cost and Tax	3,889.97	3,925.65
Profit before Depreciation, Finance Cost and Tax	566.56	466.83
Less: Depreciation	72.48	52.58
Less: Finance Cost	192.23	149.22
Profit Before Extraordinary & Exceptional Items and Tax	301.85	265.03
Less: Prior Period Item	0.00	26.73
Profit before tax	301.85	238.30
Less: Current Tax	83.53	63.42
Less: Deferred tax Liability (Asset)	11.15	87.72
Less: Excess/Short Provision Written back/off	0.00	0.37
Profit after Tax	207.17	86.80

Financial Performance

During the year under review, the revenue from operation of the Company was stood at INR 4,446.42 Lakhs as against that of INR 4,387.66 Lakhs for previous year. Revenue from operation of the Company was increased by 1.34% over previous year.

Profit before Tax for the financial year 2023-24 stood at INR 301.85 Lakhs as against Profit before Tax of INR 238.30 Lakhs for the financial year 2022-23 making the net profit of INR 207.17 Lakhs for the financial year 2023-24 as against the net profit of INR 86.79 Lakhs for the financial year 2022-23.

The Board is making its continuous efforts for re-visiting the policies of the Company and increasing the capacity utilization of manufacturing capacity. The Board expects a growth in the Revenue from operations and ultimately an increase in the Net Profit over the upcoming years.

A detailed analysis of the operations and financial results of the Company during the year under review is included in the Management Discussion and Analysis, forming part of this Annual Report.

DIVIDEND:

With view to save the profit for future expansion purpose, the Board of Directors regret to recommend any dividend (Previous Year Nil).

TRANSFER TO GENERAL RESERVE:

Your Directors do not propose to transfer any amount to the General Reserves. The Board of Directors of the Company have decided to carry the entire amount of Net profit to the Balance Sheet.

CHANGE IN NATURE OF BUSINESS:

Your Company is engaged in the activities of manufacturing, trading, exporting, importing and dealing in micro irrigation products and providing agriculture related services. There has been no change in the nature of business of the Company during the period under review and your Company continues to be in the same line of business as per the main object of the Company.

LISTING OF THE COMPANY:

During the year under review, pursuant to special resolution passed by the Members of the Company, in their extra-ordinary general meeting held on August 17, 2023, decided to issue fresh equity shares to Public through IPO together with Offer for Sale of equity shares by the 'Selling Shareholders' to Public. Your Company got listed with the National Stock Exchange of India Limited (EMERGE Platform) on February 16, 2024.

SHARE CAPITAL:

During the year under review, following changes were carried out in the share capital of the Company:

Authorized Capital

There were no changes in the Authorized Capital of your Company during the period under review.

The Authorized share Capital of the Company, as at closure of financial year 2023-24, was INR 14,50,00,000.00 divided into 14500000 Equity Shares of INR 10.00 each.

Issued, Subscribed & Paid-up Capital

During the year under review, the company had made an initial public offering (IPO) cum offer for sale of 32,28,000 equity shares in aggregate of face value of Rs.10/- each fully paid up for cash at a price of Rs.54/- per equity share (including share premium of Rs. 44 per equity share) aggregating to Rs. 1743.12/- Lakhs (consisting of Fresh Issue of Rs. 779.76 lakhs and Offer for sale of Rs. 963.36 lakhs). The equity shares were allotted on 14 February 2024. Out of 32,28,000 equity shares, 17,84,000 share is offer for sale and 14,44,000 share is fresh issue. The equity shares of the company got listed on NSE EMERGE Platform on 16th February, 2024.

Therefore, Issued, Subscribed & Paid-up share Capital of the Company as at closure of financial year 2023-24, was INR 11,34,10,900.00 divided into 11341090 Equity Shares of INR 10.00 each.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Constitution of Board

The composition of Board complies with the requirements of the Companies Act, 2013 ("Act"). None of the Directors of Board is a member of more than ten Committees or Chairperson of more than five committees across all the Public companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

The Board of the Company comprises five Directors out of which two are Promoter Executive Directors and one is Professional Non-Executive Non-Independent Director and two are Non-Executive Independent Directors. The Board comprise following Directors:

Name of Director	Category Cum Designation	Date of Appointment at current Term	Total Directorship [~]	No. of Committee [^]		No. of Shares held as on March 31, 2024
				in which Director is Member	in which Director is Chairperson	
Mr. Bharatkumar Patel	CEO and Managing Director	16/01/2023	1	2	0	2866500
Mr. Prafulbhai Radadia	Whole-Time Director	16/01/2023	1	0	0	477750
Mr. Anilkumar Singh	Non-Executive Director	05/12/2022	3	0	0	0
Ms. Mona Patel	Independent Director	06/03/2023	1	2	1	0
Mr. Bipinkumar Hirpara	Independent Director	23/01/2023	5	6	3	0

[^] Committee includes Audit Committee and Shareholders' Grievances Committee across all Public Companies.

[~] Excluding Foreign Companies, Section 8 Companies & struck off Companies.

^{\$} Acting as the Chairperson of the Board.

Disclosure by Directors

The Directors on the Board have submitted notice of interest under Section 184(1) i.e. in Form MBP 1, intimation under Section 164(2) i.e. in Form DIR 8 and declaration as to compliance with the Code of Conduct of the Company. None of the Directors of the Company is disqualified for being appointed as Director as specified in Section 164(2) of the Companies Act, 2013.

Board Meeting

Regular meetings of the Board are held, inter-alia, to review and discuss the various businesses that require the approval of the Board. Additional Board meetings are convened, as and when required, to discuss and decide on various business policies, strategies and other businesses. The Board meetings are generally held at registered office of the Company.

During the year under review, Board of Directors of the Company met 31 (Thirty-One) times, viz 14-04-2023, 14-06-2023, 24-07-2023, 25-07-2023, 03-08-2023, 08-08-2023, 11-08-2023, 14-08-2023, 22-08-2023, 24-08-2023, 25-08-2023, 29-08-2023, 06-09-2023, 13-09-2023, 14-09-2023, 18-09-2023, 04-10-2023, 14-10-2023, 20-10-2023, 23-11-2023, 01-12-2023, 12-12-2023, 02-01-2024, 19-01-2024, 22-01-2024, 24-01-2024, 29-01-2024, 01-02-2024, 14-02-2024, 08-03-2024 and 27-03-2024. The gap between two consecutive meetings was not more than one hundred and twenty days as provided in section 173 of the Act.

The details of attendance of each Director at the Board Meeting and Annual General Meeting are given below.

Name of Director	Bharatkumar Patel	Prafulbhai Radadia	Anilkumar Singh	Mona Patel	Bipinkumar Hirpara
Number of Board Meeting held	31	31	31	31	31
Number of Board Meetings Eligible to attend	31	31	31	31	31
Number of Board Meeting attended	31	31	31	31	31
Presence at the previous AGM	Yes	Yes	Yes	Yes	Yes

Independent Directors

In terms of Section 149 of the Companies Act, 2013 and rules made there under, the Company had two Non-Executive Independent Directors in line with the Companies Act, 2013. Further, both the Independent Directors of the Company had registered themselves in the Independent Directors' Data Bank.

A separate meeting of Independent Directors was held on March 27, 2024 to review the performance of Non-Independent Directors, Board as whole and performance of Chairperson of the Company including assessment of quality, quantity and timeliness of flow of information between Company management and Board.

The terms and conditions of appointment of Independent Directors and Code for Independent Director are incorporated on the website of the Company at www.polysilirrigation.com.

The Company has received necessary declaration from each independent director under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013.

Information on Directorate

During the year under review, there were no changes in the constitution of the Board of Directors.

In accordance with the provisions of the Articles of Association and Section 152 of the Companies Act, 2013, Mr. Prafulbhai Damjibhai Radadia, Whole Time Director of the Company retires by rotation at the ensuing annual general meeting. He, being eligible, has offered himself for re-appointment as such and seeks re-appointment. The Board of Directors recommend his re-appointment as such on the Board.

The relevant details, as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standards-II issued by ICSI, of the person seeking re-appointment as Director is annexed to the Notice convening this Annual General Meeting.

Key Managerial Personnel

During the year under review, there were no changes in the constitution in the Key Managerial Personnel of the Company. However, during financial year 2024-25, Mr. Aman Malpani who was appointed as Chief Financial Officer w.e.f. February 01, 2023 had resigned w.e.f. June 17, 2024 and Mr. Het Bharatbhai Savani was appointed as new Chief Financial Officer w.e.f. June 17, 2024 in his place. Ms. Neha Gupta who was appointed as Company Secretary & Compliance Officer w.e.f. February 01, 2023 had resigned w.e.f. June 18, 2024 and Ms. Nidhi Pratikkumar Shah was appointed as new Company Secretary & Compliance Officer w.e.f. June 18, 2024 in her place.

As on date of this report, the Company has Mr. Bharatkumar Patel as CEO and Managing Director, Mr. Prafulbhai Radadia as Whole-Time Director, Mr. Het Bharatbhai Savani as Chief Financial Officer and Ms. Nidhi Pratikkumar Shah as Company Secretary and Compliance Officer who are acting as Key Managerial Personnel in accordance with Section 203 of the Companies Act, 2013.

Performance Evaluation

The Board of Directors in consultation with Nomination and Remuneration Committee has come up with the methodology and policy for annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the following manners;

- The performance of the board shall be evaluated by the board, after seeking inputs from all the directors, on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.
- The performance of the committees shall be evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.
- The board and the nomination and remuneration committee shall review the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.
- In addition, the performance of chairperson shall also be evaluated on the key aspects of his role.

Separate meeting of independent directors was held on March 27, 2024 to evaluate the performance of non-independent directors, performance of the board as a whole and performance of the chairperson, considering the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

Directors' Responsibility Statement

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- a) In preparation of annual accounts for the year ended March 31, 2024, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts for the year ended March 31, 2024 on going concern basis.
- e) The Directors had laid down the internal financial controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMMITTEES OF BOARD:

The Board of Directors, in line with the requirement of the act, has formed various committees, details of which are given hereunder.

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination and Remuneration Committee

The composition of each of the above Committees, their respective role and responsibility are detailed in the Report on Corporate Governance annexed to this Report.

1. AUDIT COMMITTEE:

The Company has formed audit committee for the purpose of assisting the Board in fulfilling its overall responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

The terms reference of Audit Committee specified by the Board of Directors is briefed hereunder;

Role of Committee

1. The recommendation for the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, their remuneration and fixation of terms of appointment of the Auditors of the Company;
2. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
3. Examination of financial statement and auditors' report thereon including interim financial result before submission to the Board of Directors for approval, particularly with respect to:
 - i. Changes, if any, in accounting policies and practices and reasons for the same,
 - ii. Major accounting entries involving estimates based on the exercise of judgment by management,
 - iii. Significant adjustments made in the financial statements arising out of audit findings,
 - iv. Compliance with listing and other legal requirements relating to financial statements,
 - v. Disclosure of any related party transactions,
 - vi. Modified opinion(s) / Qualifications in the draft audit report;
4. Approval or any subsequent modification of transactions of the Company with related party, subject following conditions.
 - ❖ The Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions provided under the Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof;
 - ❖ In case of transaction, other than transactions referred to in section 188 of Companies Act 2013 or any subsequent modification(s) or amendment(s) thereof, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board;
 - ❖ In case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee;
5. Reviewing, with the management, and monitoring the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus, and making appropriate recommendations to the Board to take up steps in this matter;
6. Scrutiny of Inter-corporate loans and investments;
7. Reviewing and discussing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
8. To review the functioning of the Whistle Blower mechanism, in case the same is existing;

9. Valuation of undertakings or assets of the company, where ever it is necessary;
10. Evaluation of internal financial controls and risk management systems and reviewing, with the management, performance of internal auditors, and adequacy of the internal control systems; and
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
12. To monitor the end use of fund invested or given by the Company to Subsidiary Companies;
13. Carrying out any other function as assigned by the Board of Directors from time to time.

Review of Information by the Committee

The Audit Committee shall mandatorily review the following information:

1. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
2. Management letters / letters of internal control weaknesses issued by the statutory auditors;
3. Internal audit reports relating to internal control weaknesses; and
4. The appointment, removal and terms of remuneration of the Internal Auditor.
5. Quarterly / half yearly statement of deviation(s), if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
6. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus;

Powers of Committee

The Committee -

1. To investigate any activity within its terms of reference;
2. To seek information from any employees;
3. To obtain outside legal or other professional advice; and
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. Call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
6. To investigate into any matter in relation to the items specified in sub-section (4) of Section 177 of the Companies Act, 2013 or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company;

Composition of Committee, Meeting and Attendance of each Member at Meetings

Audit Committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. Additional meeting is held for the purpose of reviewing the specific item included in terms of reference of the Committee.

The quorum for the meeting shall be one third of total members of the Audit Committee or Two, whichever is higher, subject to minimum two Independent Director shall be present at the meeting.

During the year under review, twelve meetings of the Committee were held viz. 14-04-2023, 24-07-2023, 24-08-2023, 25-08-2023, 29-08-2023, 12-12-2023, 19-01-2024, 22-01-2024, 24-01-2024, 29-01-2024, 01-02-2024 and 08-03-2024.

The composition of the Committee and the details of meetings attended by its members are given below:

Name of Members	Category	Designation in Committee	Number of meetings during the financial year 2023-24		
			Held	Eligible to attend	Attended
Mrs. Mona Patel	Non-Executive Independent Director	Chairperson	12	12	12
Mr. Bipinkumar Hirpara	Non-Executive Independent Director	Member	12	12	12
Mr. Bharatkumar Patel	CEO and Managing Director	Member	12	12	12

The Statutory Auditor and Internal Auditor of the Company are invited in the meeting of the Committee wherever requires. Chief Financial Officer of the Company is regular invitee at the Meeting. Further, the Company Secretary of the Company is acting as Secretary to the Audit Committee. Recommendations of Audit Committee, wherever/whenever given, are accepted by the Board of Directors.

VIGIL MECHANISM:

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairperson of the Audit Committee, in exceptional cases. The functioning of vigil mechanism shall be reviewed by the Audit Committee from time to time. None of the Whistle blowers shall be denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company at www.polysilirrigation.com.

2. NOMINATION AND REMUNERATION COMMITTEE:

The Company has formed Nomination and Remuneration Committee for the purpose of assisting the Board to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and such other matters specified under various statute.

The terms reference of Nomination and Remuneration Committee are briefed hereunder;

Terms of reference

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance.
5. To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;

Composition of Committee, Meeting and Attendance of each Member at Meetings

The Nomination and Remuneration Committee shall meet at least once in a year. The quorum for a meeting of the Nomination and Remuneration Committee shall be one third of total members of the Nomination and Remuneration Committee or Two, whichever is higher, subject to minimum one Independent Director shall be present at the meeting.

During the year under review, two meetings of the Committee were held on 08-03-2024 and 27-03-2024 to recommend various policies to be adopted by the Company and evaluation of performance of the Board of Directors.

The composition of the Committee and the details of meetings attended by its members are given below:

Name of Members	Category	Designation in Committee	Number of meetings during the financial year 2023-24		
			Held	Eligible to attend	Attended
Mr. Bipinkumar Hirpara	Non-Executive Independent Director	Chairperson	2	2	2
Mrs. Mona Patel	Non-Executive Independent Director	Member	2	2	2
Mr. Anilkumar Singh	Non-Executive Director	Member	2	2	2

The Company Secretary of the Company is acting as Secretary to the Nomination and Remuneration Committee.

Nomination and Remuneration Policy:

Nomination and Remuneration Policy in the Company is designed to create a high-performance culture. It enables the Company to attract motivated and retained manpower in competitive market, and to harmonize the aspirations of human resources consistent with the goals of the Company. The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Executive Directors and Key Managerial Personnel. Annual increments are decided by the Nomination and Remuneration Committee within the salary scale approved by the members and are effective from April 1, of each year.

Key points of the Nomination and Remuneration Policy are;

a. Policy on Appointment of Directors, Key Managerial Personnel and Senior Management Personnel:

- The policy is formulated to identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel and Senior Management personnel and recommend to the Board for his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment.
- In case of appointment of Independent Director, the Committee shall satisfy itself that number of Boards on which such Independent Director serves, is restricted to applicable regulations in force.

b. Policy on remuneration of Director, KMP and Senior Management Personnel:

The Company's remuneration policy is driven by the success and performance of Director, KMP and Senior Management Personnel vis-à-vis the Company. The Company follows mixed of fixed pay, benefits and performance-based variable pay. The Company pays remuneration by way of salary, benefits, perquisites and allowance. The remuneration and sitting fees paid by the Company are within the salary scale approved by the Board and Shareholders.

The Nomination and Remuneration Policy, as adopted by the Board of Directors, is placed on the website of the Company at <https://polysilirrigation.com/wp-content/uploads/2023/04/NOMINATION-AND-REMUNERATION-POLICY.pdf>.

Remuneration of Directors:

(INR in Lakhs)

Name of Directors	Designation	Salary	Sitting Fees	Perquisite	Total
Mr. Bharatkumar Patel	Managing Director and CEO	42.02	-	-	42.02
Mr. Prafulbhai Radadia	Whole-Time Director	12.98	-	-	12.98
Mr. Anilkumar Singh	Non-Executive Director	-	-	-	-
Ms. Mona Patel	Independent Director	-	-	-	-
Mr. Bipinkumar Hirpara	Independent Director	-	-	-	-

3. STAKEHOLDER'S RELATIONSHIP COMMITTEE:

The Company has constituted Stakeholder's Relationship Committee mainly to focus on the redressal of Shareholders' / Investors' Grievances, if any, like Transfer / Transmission / Demat of Shares; Loss of Share Certificates; Non-receipt of Annual Report; Dividend Warrants; etc. The Committee also oversees the performance of the Registrar & Transfer agents of the Company relating to the investors' services and recommends measures for improvement.

The terms reference of Stakeholder's Relationship Committee are briefed hereunder;

Terms of Reference

1. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares;
2. Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.;
3. Issue duplicate/split/consolidated share certificates;
4. Dematerialization/Rematerialization of Share;
5. Review of cases for refusal of transfer / transmission of shares and debentures;
6. Reference to statutory and regulatory authorities regarding investor grievances and to otherwise ensure proper and timely attendance and redressal of investor queries and grievances; Provided that inability to resolve or consider any grievance by the Stakeholders Relationship Committee in good faith shall not constitute a contravention of Section 178 of Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof.
7. Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

Composition of Committee, Meetings and Attendance of each Member at Meetings

The Stakeholder's Relationship Committee shall meet at least once in a financial year. The quorum shall be one third of total members of the Stakeholders Relationship Committee or Two, whichever is higher, subject to minimum one Independent Director.

During the year under review, one meeting was held of Stakeholder's Relationship Committee on 27-03-2024.

The composition of the Committee during the year and the details of meetings attended by its members are given below:

Name of Members	Category	Designation in Committee	Number of meetings during the financial year 2023-24		
			Held	Eligible to attend	Attended
Mr. Bipinkumar Hirpara	Non-Executive Independent Director	Chairperson	1	1	1
Mrs. Mona Patel	Non-Executive Independent Director	Member	1	1	1
Mr. Bharatkumar Patel	CEO and Managing Director	Member	1	1	1

Company Secretary and Compliance officer of the Company shall provide secretarial support to the Committee.

PUBLIC DEPOSIT:

The Company has not accepted any deposits from Shareholders and Public falling within the ambit of Section 73 of the Companies Act, 2013 and rules made there under. Hence, the directives issued by the Reserve Bank of India & the Provision of Section 73 to 76 of the Company Act, 2013 or any other relevant provisions of the Act and the Rules there under are not applicable.

PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS & SECURITY:

Details of Loans, Guarantees, Investments and Security covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement.

WEB LINK OF ANNUAL RETURN:

The Annual Return is uploaded on the website of the company www.polysilirrigation.com.

RELATED PARTIES TRANSACTION:

There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel which may have a potential conflict with the interests of the Company at large. All Related Party Transactions shall be placed before the Audit Committee and the Board for approval, if required. Prior omnibus approval of the Audit Committee shall be obtained for the transactions which are of a foreseen and repetitive in nature.

All Related Party Transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Your Company had not entered into any transactions with the related parties which could be considered material in terms of Section 188 of the Companies Act, 2013. Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2 is annexed to this Report as **Annexure – A**.

There was no contracts, arrangements or transactions which was not executed in ordinary course of business and/or at arm's length basis.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

To foster a positive workplace environment, free from harassment of any nature, we have institutionalized the Anti-Sexual Harassment Initiative (ASHI) framework, through which we address complaints of sexual harassment at all the workplaces of the Company. Our policy assures discretion and guarantees non-retaliation to complainants. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land where we operate. The Company has setup an Internal Complaints Committee (ICC) for redressal of Complaints.

During the financial year 2023-24, the Company has received Nil complaints on sexual harassment, out of which Nil complaints have been disposed-off and Nil complaints remained pending as of March 31, 2024.

UTILIZATION OF PROCEEDS OF PREFERENTIAL ISSUE / IPO:

During the year under review, the Company had made an initial public offering (IPO) cum offer for sale of 32,28,000 equity shares in aggregate of face value of Rs.10/- each fully paid up for cash at a price of Rs.54/- per equity share. (including share premium of Rs. 44 per equity share) aggregating to Rs. 1743.12/- Lakhs (Fresh Issue of Rs. 779.76 lakhs and offer for sale of Rs. 963.36 lakhs). Out of 32,28,000 equity share 17,84,000 share is offer for sale and 14,44,000 share is fresh issue.

The proceeds of said issue have been utilized by the Company till the closures of financial year as under in the manner given below:

Objective of the Issue	Modified Object, If any	Original Allocation (₹ in Lakhs)	Modified Allocation , If any	Fund utilized (₹ in Lakhs)	Amount of Deviation / Variation according to applicable Object	Remarks, If any
Funding our Working Capital Requirements	--	500.00	--	500.00	--	--
General corporate purposes & Issue Related Expenses	--	279.76	--	206.84	72.92 [#]	--
Total		779.76		706.84		

[#]The said amount is held in escrow as on March 31, 2024

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:
A. Conservation of energy –
i.) The steps taken or impact on conservation of energy:

No major steps have been taken by the Company. However, the Company continues its endeavour to improve energy conservation and utilization.

ii.) The steps taken by the Company for utilizing alternate sources of energy:

The Company has continued its focus on energy conservation efforts through up-gradation of process with new technology. The technology installed by the Company has provided better results in quality and production and also reducing the overall cost of production and maintenance which effect production scheduling and various energy saving initiatives in all areas of production. However, the Company has not installed any alternate source of energy running on renewable energy source.

iii.) The capital investment on energy conservation equipment:

Nil

B. Technology absorption –
i.) The effort made towards technology absorption

Your Company has been very thoughtful in installing new technology to reduce the production cost, improve yield, enhance product endurance and strengthen finish. However, no new technology has been installed by the Company during the year and all existing technology has been fully absorbed.

ii.) The benefit derived like product improvement, cost reduction, product development or import substitution

The Company had installed such technology that improve productivity, quality and reduction in manual intervention and to enhance the quality and productivity. Improvement in manufacturing process helped the Company in managing production scheduling; & better & faster servicing of product for domestic as well as global market.

iii.) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

a. The details of technology imported: Nil

b. The year of import: N.A.

c. Whether the technology has been fully absorbed: N.A.

iv.) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable
v.) The expenditure incurred on Research and Development:

Since inception, we have placed a strong emphasis on developing our in-house R&D abilities, which we believe, has been instrumental in our growth. We believe that our in-house R&D initiatives have resulted in the expansion of our product portfolio, maintaining the quality of our products and translating feedback received from customers, dealers and distributors into concrete results. Our research and development activities emphasize designing and developing new products keeping in mind market standards, customer requirements, cost of production and compliance with applicable standardization norms. Our R&D centre is located in our manufacturing facility at Manjusar, Vadodara, Gujarat. However, during the year under review, the Company has not incurred any Research and Development expenses.

C. Foreign Exchange Earnings & Expenditure -
i.) Details of Foreign Exchange Earnings

(INR in Lakhs)

Sr. No.	Particulars	F.Y. 2023-24	F.Y. 2022-23
1.	Exports of Goods calculated on F.O.B. basis	-	-

ii.) Details of Foreign Exchange Expenditure

(INR in Lakhs)

Sr. No.	Particulars	F.Y. 2023-24	F.Y. 2022-23
1.	Import of Raw Material / Goods	-	146.18
2.	Components and Spare Parts	2.48	2.84

MAINTENANCE OF COST RECORDS:

In terms of Section 148 of the Companies Act, 2013 read with Companies (Cost records and audits) Rules, 2014, the Company is required to maintain the cost records and accordingly the Company is maintaining the Cost record.

PARTICULAR OF EMPLOYEES:

The ratio of the remuneration of each executive director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as **Annexure – B**.

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is opened for inspection in electronic form. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

MATERIAL CHANGES AND COMMITMENT:

There have been no material changes and commitments for the likely impact affecting financial position between end of the financial year and the date of the report.

SIGNIFICANT AND MATERIAL ORDERS:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

SUBSIDIARIES/JOINT VENTURE/ASSOCIATE COMPANY:

Your Company does not have any Subsidiaries/Joint Venture/Associate Company.

CORPORATE GOVERNANCE:

Your Company strives to incorporate the appropriate standards for corporate governance. However, pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and therefore the Company has not provided a separate report on Corporate Governance. However, Company is complying with few of the exempted regulations voluntarily and details of same are provided in this report under the respective heading.

RISK MANAGEMENT:

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact, if triggered. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company. Necessary internal control systems are also put in place by the Company on various activities across the board to ensure that business operations are directed towards attaining the stated organizational objectives with optimum utilization of the resources. Apart from these internal control procedures, a well-defined and established system of internal audit shall be in operation to independently review and strengthen these control measures, which shall be carried out by an experience auditor. The audit shall be based on an internal audit plan, which is reviewed each year in consultation with the statutory auditor of the Company and the audit committee. The conduct of internal audit shall be oriented towards the review of internal controls and risks in its operations.

The Internal Auditor of the Company shall carry out review of the internal control systems and procedures. The internal audit reports shall be reviewed by Audit Committee and Board.

Your Company has also put in place adequate internal financial controls with reference to the financial statements commensurate with the size and nature of operations of the Company. During the year, such controls were tested and no material discrepancy or weakness in the Company's internal controls over financial reporting was observed.

LISTING FEES:

The Equity Shares of the Company are listed on Emerge Platform of National Stock Exchange of India Limited and the Company has paid the applicable listing fees to the Stock Exchange till date.

ONE TIME SETTLEMENT:

The Company has not entered into a one-time settlement with any of the banks or financial institutions.

STATUTORY AUDITOR AND THEIR REPORT:

M/s. Ratan Chandak & Co, Chartered Accountant, Navi Mumbai (FRN: 108696W) were appointed as Statutory Auditors of Company at the 38th Annual General Meeting held on September 30, 2023, for the period of 5 years from the conclusion of 38th Annual General Meeting until the conclusion of the 43rd Annual General Meeting.

The Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.

SECRETARIAL AUDITOR AND THEIR REPORT:

The Company has appointed M/s. Hardik Jetani & Associates, Practicing Company Secretary, to conduct the secretarial audit of the Company for the financial year 2023-24, as required under Section 204 of the Companies Act, 2013 and Rules thereunder.

The Secretarial Audit Report for the financial year 2023-24 is annexed to this report as an **Annexure – C**. The Secretarial Auditors' Report does not contain any qualification, reservation or adverse remark, accordingly, not require to comment up on by the Board of Directors.

INTERNAL AUDITORS AND REPORT:

M/s. R S Joisar & Co, Chartered Accountants, (FRN: 140766W) is acting as Internal Auditors of the Company and has conducted periodic audit of all operations of the Company. The Audit Committee of the Board of Directors has reviewed the findings of Internal Auditors regularly.

REPORTING OF FRAUD:

During the year under review, neither the statutory auditors nor the secretarial auditor have reported to the Audit Committee or the Board, under Section 143 (12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

PROCEEDINGS INITIATED/PENDING AGAINST YOUR COMPANY UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

There are no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the Business of the Company.

WEBSITE:

As per Regulation 46 of SEBI (LODR) Regulations, 2015, the Company has maintained a functional website namely "www.polysilirrigation.com" containing basic information about the Company. The website of the Company is also containing information like Policies, Shareholding Pattern, Financial Results and information of the designated officials of the Company who are responsible for assisting and handling investor grievances for the benefit of all stakeholders of the Company, etc.

INSURANCE:

The assets of your Company have been adequately insured.

COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD 1 AND SECRETARIAL STANDARD 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.

PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

INDUSTRIAL RELATIONS (IR):

The Company continues to maintain harmonious industrial relations. Company periodically reviews its HR policies and procedures to aid and improve the living standards of its employees, and to keep them motivated and involved with the larger interests of the organisation. The Company has systems and procedures in place to hear and resolve employees' grievances in a timely manner, and provides avenues to its employees for their all-round development on professional and personal levels. All these measures aid employee satisfaction and involvement, resulting in good Industrial Relations.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

DECLARATION SIGNED BY THE CHIEF EXECUTIVE OFFICER STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT:

A declaration signed by Managing Director and Chief Executive Officer is annexed to this report as an **Annexure – D**.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

In terms of Regulation 34, and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a review of the performance of the Company, for the year under review, Management Discussion and Analysis Report, is presented in a separate section forming part of this Annual Report.

GENERAL DISCLOSURE:

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134 (3) of the Act and Rule 8 of The Companies (Accounts) Rules, 2014 and other applicable provisions of the act and listing regulations, to the extent the transactions took place on those items during the year.

APPRECIATIONS AND ACKNOWLEDGEMENT:

Your Directors wish to place on record their sincere appreciation for significant contributions made by the employees at all levels through their dedication, hard work and commitment, enabling the Company to achieve good performance during the year under review.

Your Directors also take this opportunity to place on record the valuable co-operation and support extended by the banks, government, business associates and the shareholders for their continued confidence reposed in the Company and look forward to having the same support in all future endeavours.

Registered office:

Survey No- 340/1, Beside Hystuff Steel
At Post Raniya, Taluka Savli, District
Vadodara, Vadodara, Raniya Taluka
Savli, Gujarat, India, 391780

By order of the Board of Directors
For, **POLYSIL IRRIGATION SYSTEMS LIMITED**
CIN: U17100GJ1985PLC127398

-- sd --

-- sd --

Place: Vadodara
Date: September 07, 2024

Bharatkumar Patel
CEO & Managing Director
DIN: 07780251

Prafulbhai Radadia
Whole-Time Director
DIN: 09660425

FORM NO. AOC-2 - PARTICULARS OF CONTRACTS / ARRANGEMENTS MADE WITH RELATED PARTIES

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

a) Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into by the Company during the financial year ended on March 31, 2024, which were not at arm's length basis.

b) Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Particulars	RPT – 1	RPT – 2
1.	Name(s) of the related party and nature of relationship	Smart Trading Services (CEO&MD's relative having significant influence)	Smart Trading Services (CEO&MD's relative having significant influence)
2.	Nature of contracts/ arrangements/ transactions	Payment of Rent	Purchase
3.	Duration of the contracts / arrangements/ transactions	F.Y. 2023-24	F.Y. 2023-24
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	As per the terms and conditions of Rent Agreements dated December 20, 2022 and September 01, 2023 Total Value of Transactions ₹ 12.96 Lakh	All transactions to be entered are on Arms' Length Basis and in ordinary course of business Total Value of Transactions ₹ 5.77 Lakh
5.	Date(s) of approval by the Board	December 05, 2022 & August 29, 2023	April 14, 2023
6.	Amount paid as advances, if any	Nil	Nil

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Savli, Gujarat, India, 391780

By order of the Board of Directors
For, **POLYSIL IRRIGATION SYSTEMS LIMITED**
CIN: U17100GJ1985PLC127398

-- sd --

-- sd --

Place: Vadodara

Date: September 07, 2024

Bharatkumar Patel
CEO & Managing Director
DIN: 07780251

Prafulbhai Radadia
Whole-Time Director
DIN: 09660425

PARTICULARS OF EMPLOYEES

(Pursuant to Section 197(12) read with Rules made thereunder)

Disclosures pertaining to remuneration and other details as required under
Section 197(12) of the Companies Act, 2013 read with Rules made there under
Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- a) **The ratio of remuneration of each director to the median remuneration of employees for the financial year and the Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

Sr. No.	Name	Designation	Nature of Payment	Ratio against median employee's remuneration	Percentage Increase
1.	Mr. Bharatkumar Tulshibhai Patel	CEO & Managing Director	Remuneration	13.15:1	-
2.	Mr. Prafulbhai Damjibhai Radadia	Wholetime Director	Remuneration	4.11:1	-
3.	Mr. Anilkumar Radheshyam Singh	Non-Executive Director	Sitting Fees	Not Applicable	-
4.	Mr. Bipinkumar Hirpara	Independent Director	Sitting Fees	Not Applicable	-
5.	Mrs. Mona Yatinkumar Patel	Independent Director	Sitting Fees	Not Applicable	-
6.	Mrs. Neha Gupta	Company Secretary	Salary	Not Applicable	-
7.	Mr. Aman Malpani	Chief Financial Officer	Salary	Not Applicable	-

- b) **The percentage increase in the median remuneration of employees in the financial year:**

The median remuneration of the employees in current financial year was decreased by 5.07% over the previous financial year.

- c) **The number of permanent employees on the rolls of the Company:** 67 Employees

- d) **Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The Average salary was decreased by 3.49% whereas there were no change in the average remuneration of the Executive Directors over the previous financial year. The decreased in salary of Employees was as per Human Resource Policy of the Company.

The Board of Directors of the Company affirmed that remuneration of all the Key Managerial Personnel of the Company are as per the Remuneration Policy of the Company.

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 Vadodara, Vadodara, Raniya Taluka
 Savli, Gujarat, India, 391780

By order of the Board of Directors
 For, **POLYSIL IRRIGATION SYSTEMS LIMITED**
 CIN: U17100GJ1985PLC127398

-- sd --

-- sd --

Place: Vadodara

Date: September 07, 2024

Bharatkumar Patel
CEO & Managing Director
DIN: 07780251

Prafulbhai Radadia
Whole-Time Director
DIN: 09660425

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Section 204 (1) of the Companies Act, 2013 and

Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
 The Members,
POLYSIL IRRIGATION SYSTEMS LIMITED
 Survey No- 340/1, Beside Hystuff Steel At Post Raniya, Taluka Savli,
 District Vadodara, Raniya Taluka, Savli, Vadodara- 391780, Gujarat,
 India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Polysil Irrigation Systems Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Polysil Irrigation Systems Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit and the representations made by the Company, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2024 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by **Polysil Irrigation Systems Limited** for the Financial Year ended on March 31, 2024 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under;
- II. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (during the year under review not applicable to the Company);
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018;
 - e. The Securities and Exchange Board of India (The Listing Obligations and Disclosure requirements) Regulations, 2015;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (during the year under review not applicable to the Company);
 - h. The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021 (during the year under review not applicable to the Company);
 - i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (during the year under review not applicable to the Company); and
 - j. The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018 (during the year under review not applicable to the Company);

We have also examined compliance with the applicable clauses of the following:

- I. Secretarial Standards of the Institute of Company Secretaries of India,
- II. The Listing Agreements entered into by the Company with NSE-SME Stock Exchange.

During the year under review, the company has complied with the provisions of the act, rules, regulations and guidelines mentioned above.

We further report that based on the information provided by the company, its officers and authorised representative during the conduct of the audit, and also on the review of reports by CS/MD/CFO of the company, in our opinion, adequate systems and processes and control mechanism exist in the company to monitor and ensure compliance with applicable general laws listed out below;

- a. Employees' State Insurance Act, 1948, and rules made there under;
- b. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under;
- c. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- d. Payment of Wages Act, 1936, and rules made there under;
- e. The Minimum Wages Act, 1948, and rules made there under;
- f. Maternity Benefit Act, 1961;
- g. The payment of Bonus Act, 1965;
- h. The Payment of Gratuity Act, 1972;
- i. The Equal Remuneration Act, 1976;
- j. The Factories Act, 1948; *The Manufacturing division of Polysil Irrigation Systems Limited is located at RS NO.340/1, Beside Hystuff Steel, Village Rania, Taluka. Savli, Dist. Vadodara Manjusar, Vadodara, Gujarat, India.*
- k. The Air (Prevention & Control of Pollution) Act, 1981;
- l. The Water (Prevention & Control of Pollution) Act, 1974;
- m. The Hazardous and other Waste (Management and Trans Boundary Movement) Rules, 2016;
- n. The Environment (Protection) Act, 1986 read with The Manufacture, storage and Import of Hazardous Chemicals Rules, 1989;

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the chairman, the decisions of the board were unanimous and no dissenting views were required to be recorded.

We further report that during the audit period,

→ The Company has approached capital market with IPO by offer and allotment of 32,28,000 Equity Shares (Comprising A Fresh Offer of Up To 14,44,000 Equity Shares and An Offer for Sale of Up to 17,84,000 Equity Shares by Satishkumar Maniya, Sunilkumar Shah And Rameshbhai Kakadiya) of INR 10.00 each at a premium of INR 44.00 and securities of the Company were listed on NSE-SME segment w.e.f. February 16, 2024.

→ The Company has made allotment of equity shares on February 14, 2024 pursuant to Initial Public Offer of 32,28,000 Equity Shares (Comprising A Fresh Offer of Up To 14,44,000 Equity Shares and An Offer for Sale of Up to 17,84,000 Equity Shares). The entire Paid-up Equity shares of the Company was then listed at Emerge Platform of National Stock Exchange of India Limited.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. Our examination was limited to the verification of procedures on test basis and the report provides not absolute but, reasonable assurance.

Place: Ahmedabad
Date: 07/09/2024

-sd-
Hardikkumar Jetani
Company Secretary in Practice
M. No. 39498 | COP No. 22171
Peer Review Certificate No.: 4579/2023
UDIN: A039498F001170320

This report is to be read with our letter of even date which is annexed as **“Annexure A”** and forms an integral part of this report.

“Annexure - A”

To,
The Members,

POLYSIL IRRIGATION SYSTEMS LIMITED

Survey No- 340/1, Beside Hystuff Steel At Post Raniya, Taluka Savli, District Vadodara, Raniya Taluka, Savli, Vadodara- 391780, Gujarat, India.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the

processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Ahmedabad
Date: 07/09/2024

-sd-
Hardik Jetani
Company Secretary in Practice
M. No. 39498 | COP No. 22171
Peer Review Certificate No.: 4579/2023
UDIN: A039498F001170320

**DECLARATION BY THE CHIEF EXECUTIVE OFFICER UNDER SCHEDULE V (D) OF
SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To

The Members of Polysil Irrigation Systems Limited,

I, Bharatkumar Tulshibhai Patel, Chief Executive Officer and Managing Director of Polysil Irrigation Systems Limited declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2024.

-sd-

Bharatkumar Tulshibhai Patel
Chief Executive Officer and Managing
DIN: 07780251

Place: Vadodara
Date: September 07, 2024

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENT:

GLOBAL ECONOMY

The global micro irrigation system market size was USD 7.59 billion in 2019 and is projected to reach USD 16.83 billion by 2032, exhibiting a CAGR of 6.32% during the forecast period based on our analysis in the existing report.

The growing area under micro irrigation systems across the globe is one of the prominent reasons for the tremendous growth of the market worldwide. Easy mechanization of the micro-irrigation system, their compatibility with wide as well as closed-spaced crops, and various other positive attributes associated with this type of irrigation are aiding the market growth. Moreover, amplified acceptance of this irrigation technique by commercial property owners, homeowners, and others for landscape developments is expected to drive the micro irrigation system market growth during the foreseeable years.

The current global outbreak of COVID-19, followed by lockdowns across several economies is negatively influencing the agriculture industry, especially from the perspective of labor. The crisis is expected to continue in the upcoming months owing to suspended trade across economies at present. There is no doubt that the pandemic will affect the market negatively as well, however, to what extent can only be anticipated once the pandemic ends. Less labor associated with the operation of some of the micro irrigation practices, coupled with the availability of automated systems, especially across the developed markets of North America, and Europe is expected to remain the prominent reason for the plausible market stability. However, in developing economies such as India, China, South Africa, Pakistan, and others, the economic slowdown caused due to COVID-19 can impact the number of annual installations of high-priced micro irrigation systems.

The pressure of increasing high-quality crop production by using limited water is driving the growth of this market. The launch of several programs to educate farmers about the advantages of using micro irrigation techniques and initial guidance offered by the government in some countries to install these systems in farms is affecting the market growth positively. High water application efficiency of the systems and their effectiveness in minimizing nutrient loss is predicted to further drive this market. Moreover, low labour associated with advanced micro irrigation systems due to their highly automated design is supporting the market growth across countries where agriculture labour costs are high.

(Source: <https://www.fortunebusinessinsights.com/micro-irrigation-system-market-102839>)

INDIAN ECONOMY

The India Micro Irrigation Systems Market size is estimated at USD 0.64 billion in 2024, and is expected to reach USD 1.08 billion by 2029, growing at a CAGR of 11.10% during the forecast period (2024-2029).

- India is an agriculture-dependent country, and agriculture in India is rain-fed. So there is a potential for promoting micro irrigation in the market. Rajasthan is a state with high micro-irrigation adaptability and has a large area under micro-irrigation due to the lack of water resources in the state.
- Furthermore, Indian farmers have been increasingly encouraged to adopt micro-irrigation systems on open fields for efficient water usage and an increase in agricultural yield. The area under open field micro-irrigation is higher than greenhouses in the country. Most of the greenhouses equipped with micro-irrigation in the country are used for horticultural production, with more farmers inclining toward greenhouse cultivation owing to benefits such as year-round production.
- The drip irrigation system dominated the market in 2021, owing to higher subsidies offered by the central and state governments in various states. The maximum adoption of the drip irrigation system is witnessed for fruit crops, followed by plantation crops, in terms of area coverage.

(Source: <https://www.mordorintelligence.com/industry-reports/india-micro-irrigation-systems-market>)

OPPORTUNITIES:

1. Supply chain infrastructure

- Technology-driven, integrated supply chains enable entities to reduce inventory and costs, add product value, extend resources, accelerate time to market, expand market, increase pricing for sellers and variety for buyers as well as retain customers.
- In order to have a successful supply chain, the Indian Government has sought to involve multiple stakeholders to improve interactions between farmers, processors, distributors and retailers.
- The nation's processed food industry is expected to grow to US\$ 958 billion by 2025 at a compound annual growth rate (CAGR) of 12%.

2. Potential global outsourcing hubs

- Huge opportunity exists for agri input segments like seeds and plant growth nutrients.
- According to the Center for Environment and Agriculture (CENTEGRO) and Crop Care Federation of India (CCFI), India can become the 'global agricultural hub' for other countries, which have harsh weather, scarce labour and lands, and are seeking to outsource their agriculture.

3. Farm management services

- Given the importance of agriculture in India, both the government and private players are working to improve the efficiency and productivity of Indian agriculture and exploring how Farming as a Service (FaaS) solutions can play a role.

POLYSIL IRRIGATION SYSTEMS LIMITED

- FaaS seeks to provide affordable technology solutions for efficient farming. It converts fixed costs into variable costs for farmers, thus making the techniques more affordable for a majority of small farmers. Its services are available on a subscription or pay-per-use basis in three broad categories, which are crucial across the agriculture value chain.

(Source: https://www.ibef.org/download/1720502463_Agriculture_and_Allied_Industries_May_2024.pdf)

COMPETITIVE ADVANTAGE:

- India has access to several natural resources that provides it a competitive advantage in the food processing sector. Due to its diverse agro-climatic conditions, it has a wide-ranging and large raw material base suitable for food processing industries.
- The Government of India targets production of 32 million tonnes of pulses by 2030.

(Source: https://www.ibef.org/download/1720502463_Agriculture_and_Allied_Industries_May_2024.pdf)

THREATS, RISKS AND CHALLENGES:

The energy needed to operate micro-irrigation systems can be a barrier for small and marginal farmers, particularly in regions with unreliable power supply. Additionally, the initial investment cost of these systems can be prohibitive for some farmers. Further, many farmers still lack awareness about the advantages of micro-irrigation and the proper techniques for its utilization. This knowledge gap can lead to suboptimal results and discourage further adoption. The fragmentation of landholdings and declining farm incomes pose challenges to farmers' investment capacity in new technologies like micro-irrigation. The Indian agricultural sector's heavy reliance on monsoons and the increasing depletion of groundwater resources highlight the urgent need for water-efficient irrigation solutions. Drought conditions during the latter part of the monsoon season have led to diminished demand for micro-irrigation products in the Rabi season, affecting the market's overall growth.

OUTLOOK:

We are well-positioned to benefit from the expanding micro-irrigation market. The company caters to the domestic market and also looking for opportunities to export micro-irrigation components to various regions globally. Our focus on innovation, coupled with ongoing government initiatives and the escalating need for water-efficient agriculture, are expected to fuel the growth in the coming years. Despite the positive outlook, challenges remain. The micro-irrigation market is highly competitive, requiring us to constantly innovate and differentiate ourselves. Additionally, while government subsidies are a major driver, ensuring their effective utilization and reaching farmers in remote areas remains a focus. The opportunity lies in the vast untapped potential of the Indian agricultural sector. With the area under micro irrigation still representing a relatively small percentage of the total irrigated land, there's significant room for expansion. Polysil, with its experience and market presence, is well-placed to contribute to this growth and achieve its ambitious market share target.

AGRICULTURE - MARKET OVERVIEW:

- In India, agriculture is the primary source of livelihood for ~55% of the population.
- At current prices, agriculture and allied sectors account for 18.3% of India's GDP (2022-23).
- As First Advance Estimates of the country's Agriculture and allied activities recorded a growth rate of 3.5-4% in 2021-22.
- As per the Second Advance Estimates of National Income, the share of GVA of agriculture and allied sectors in the total economy in 2022-23 was 18.3%, with a growth rate of 3.3%.
- The improved performance is also demonstrated by a significant increase in agricultural exports, reaching Rs. 4.2 lakh crore (US\$ 50.47 billion) in FY23, surpassing the previous year's record.
- Between April 2000-March 2024, FDI in agriculture services stood at US\$ 3.08 billion.
- According to Bain & Co., the Indian agricultural sector is predicted to increase to US\$ 30-35 billion by 2025.
- In December 2023, NBCC signed an MoU with the National Cooperative Development Cooperation (NCDC) and NABARD for the construction of (1,469-grain storage units) the world's largest grain storage plan in the cooperative sector.

GOVERNMENT POLICIES ARE GROWTH DRIVERS OF INDIAN AGRICULTURE:

- A new sub-scheme of PM Matsya Sampada Yojana with targeted investment of Rs. 6,000 crore (US\$ 729 million) to be launched to further enable activities of fishermen, fish vendors, and micro & small enterprises, improve value chain efficiencies, and expand the market.
- In December 2023, NITI Aayog and IFPRI sign Statement of Intent to strengthen policy frameworks for agricultural transformation and rural development.
- In October 2023, the President of India launched the Fourth Krishi Road map of Bihar.
- PMKSY has been formulated amalgamating ongoing schemes viz. Accelerated Irrigation Benefit Programme (AIBP) of the Ministry of Water Resources, River Development & Ganga Rejuvenation (MoWR,RD&GR), Integrated Watershed Management Programme (IWMP) of Department of Land Resources (DoLR) and the On Farm Water Management (OFWM) of Department of Agriculture and Cooperation (DAC).
- Under PMKSY-Per Drop More Crop, an area of 32.697 lakh hectare (ha) has been covered under micro irrigation in the country.
- Under PMKSY-HKPP- Repair, Renovation and Restoration of water bodies (RRR of water bodies), a total of 395 water bodies have been taken up during 2018-2021.
- Of the wide variety of crops in India, rice and wheat are the most irrigated.
- Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) has been formulated with the vision of extending the coverage of irrigation 'Har Khet ko pani' and improving water use efficiency 'More crop per drop' in a focused manner with end-to-end solution on source creation, distribution, management, field application and extension activities.
- Climate-Smart Farming Practices: This is slowly gaining acceptance with farmers using clean energy sources like solar for irrigation.

(Source: https://www.ibef.org/download/1720502463_Agriculture_and_Allied_Industries_May_2024.pdf)

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company. Necessary internal control systems are also put in place by the Company on various activities across the board to ensure that business operations are directed towards attaining the stated organizational objectives with optimum utilization of the resources. Apart from these internal control procedures, a well-defined and established system of internal audit shall be in operation to independently review and strengthen these control measures, which shall be carried out by an experience auditor. The audit shall be based on an internal audit plan, which is reviewed each year in consultation with the statutory auditor of the Company and the audit committee. The conduct of internal audit shall be oriented towards the review of internal controls and risks in its operations.

The Internal Auditor of the Company shall carry out review of the internal control systems and procedures. The internal audit reports shall be reviewed by Audit Committee and Board.

Your Company has also put in place adequate internal financial controls with reference to the financial statements commensurate with the size and nature of operations of the Company. During the year, such controls were tested and no material discrepancy or weakness in the Company's internal controls over financial reporting was observed.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

The Company as per its Human Resource strategy focuses on inclusive, collaborative and growth-oriented culture. Company's workforce has grown from strength to strength over the last years. From its early days, Company remained an equal opportunity employer and has embedded these values in its employee life cycle management from hiring, retaining to retirement. The Company complies with all applicable fair employment practices and equal opportunity laws in every state where it operates. In line with its commitment to deliver superior performance through its dedicated, capable, and agile workforce in all spheres of business, the company has focused on Collaboration at work, capability enhancement systems, new ways of Learning & Development and Work-Life Balance to ensure higher productivity.

The Company strictly prohibits discrimination against any employee or applicant based on language, race, colour, religion, sex, origin, ethnicity, age, disability, marital status, sexual orientation, gender identity, or any other category protected by law. Company firmly believes that people are its greatest assets and it is always endeavours to ensure their development and growth. Company's strategy supports promoting diversity in its workforce while ensuring each employee feels empowered at work. It has robust human resource framework and processes which support the smooth functioning of workforce and wellbeing of all the employees. Linkage between personal goals and organizational goals is considered a vital aspect for the shared growth of employees and the organization. Annual appraisals are made to ensure such an alignment and the Company has to continue to invest in the development of its employees, which is very important for ensuring sustained high performance.

As on March 31, 2024, the total number of employees in your Company was 67.

COMPANY PROFILE:

Incorporated in 1985 our Company is a fully integrated player within the drip irrigation and sprinkler irrigation sectors, with presence in micro irrigation industry. Our products are reckoned to meet high quality standards and our brand is associated with providing value-based irrigation solutions to our end customers and are subject to BIS standards. Our Company is engaged in manufacturing and sale of HDPE pipes, fittings and micro irrigation systems, such as drip irrigation system and sprinkler irrigation system, its components, accessories and allied products.

As a manufacturer and seller of drip and sprinkler irrigation system our product range includes HDPE Pipes, pipe fittings and irrigation equipment's, including disc filters, screen filters, hydro-cyclone filters, sand filters (gravel), compression fittings, valves (electrical and mechanicals), fertilizer tanks, Digital Controllers, Pressure Gauges, etc. We sell these products under the brand "Polysil".

We sell our products through institution markets and open market sale. Under the open market sale, we sell our products through distributors and dealers, who then resell the products to customers i.e. farmers. Our end customers are eligible to receive government subsidy, the process for disbursal of such subsidy is managed by our distributor / dealers and/or our customers. We operate in the state of Gujarat, Tamil Nadu, Maharashtra, Andhra Pradesh, Karnataka, Madhya Pradesh, Uttar Pradesh, Rajasthan and Haryana. We operate in the State of Maharashtra, Madhya Pradesh and Rajasthan through our dealer / distributor network and in the State of Andhra Pradesh, Gujarat, Tamil Nadu, Haryana and Uttar Pradesh under institutional model.

Our current Promoters, who are the driving force behind the growth of our Company, between themselves have in-depth knowledge and good experience of the micro irrigation industry. Our Promoters share various functional responsibilities amongst themselves for effective management and are well supported by qualified and experienced professionals at different levels with appropriate functional responsibilities.

Our existing manufacturing unit is spread around 100,000 sq. ft. area is situated at RS NO.340/1, Beside Hystuff Steel, Village Rania, Taluka. Savli, Dist.Vadodara, Manjusar, Vadodara, Gujarat is equipped with requisite plant and machineries and other facilities. We also have in-house testing laboratory for quality control checks and testing our products. Our manufacturing unit and our products are accredited with IS 4984:2016 for polyethylene pipes for water supplies, IS 13487:2016 for irrigation equipment emitters, IS 13488: 2008 for irrigation equipment – emitting pipe systems, IS 14151:2008 for irrigation equipment – sprinkler pipes, polyethylene pipes and fitting for sprinkler irrigation systems and IS 12786:1989 for irrigation equipment – polyethylene pipes for irrigation laterals. We purchase the irrigation equipment's and accessories such as, disc filters, screen filters, hydro-cyclone filters, sand filters (gravel), compression fittings, valves (electrical and mechanicals), fertilizer tanks, Digital Controllers, Pressure Gauges, etc from third-party manufacturers who also manufacture these products as per our specification and also under the brand "Polysil".

Our basic raw material includes HDPE, LLDPE and LDPE granules and we procure our raw materials based on market availability, pricing and quality from the domestic market and also from international market.

FINANCIAL PERFORMANCE AND HIGHLIGHTS:

Financial Highlights

(INR In Lakhs)

Particulars	F.Y. 2023-24	F.Y. 2022-23
Revenue from Operations	4,446.42	4,387.66
Other Income	10.11	4.83
Total Income	4,456.53	4,392.49
Less: Total Expenses before Depreciation, Finance Cost and Tax	3,889.97	3,925.65
Profit before Depreciation, Finance Cost and Tax	566.56	466.83
Less: Depreciation	72.48	52.58
Less: Finance Cost	192.23	149.22
Profit Before Extraordinary & Exceptional Items and Tax	301.85	265.03
Less: Prior Period Item	0.00	26.73
Profit before tax	301.85	238.30
Less: Current Tax	83.53	63.42
Less: Deferred tax Liability (Asset)	11.15	87.72
Less: Excess/Short Provision Written back/off	0.00	0.37
Profit after Tax	207.17	86.80

Financial Performance

During the year under review, the revenue from operation of the Company was stood at INR 4,446.42 Lakhs as against that of INR 4,387.66 Lakhs for previous year. Revenue from operation of the Company was increased by 1.34% over previous year.

Profit before Tax for the financial year 2023-24 stood at INR 301.85 Lakhs as against Profit before Tax of INR 238.30 Lakhs for the financial year 2022-23 making the net profit of INR 207.17 Lakhs for the financial year 2023-24 as against the net profit of INR 86.79 Lakhs for the financial year 2022-23.

The Board is making its continuous efforts for re-visiting the policies of the Company and increasing the capacity utilization of manufacturing capacity. The Board expects a growth in the Revenue from operations and ultimately an increase in the Net Profit over the upcoming years.

TURNOVER FROM MANUFACTURING AND TRADING ACTIVITIES

(INR In Lakhs)

Particulars	March 31, 2024	March 31, 2023
Manufacturing		
- HDPE/LLDPE/PVC Pipe	1,423.02	943.81
- HDPE Sprinkler Systems	669.65	336.15
- Drip Irrigation Systems	1,969.87	2,709.66
Trading		
- HDPE/LLDPE/PVC Pipe	178.57	189.04
- HDPE Sprinkler Systems	116.02	144.07
- Drip Irrigation Systems	89.29	90.38
Total	4,446.42	4,413.11

RATIO ANALYSIS

Particulars	Numerator/Denominator	March 31, 2024	March 31, 2023	Change in %
(a) Current Ratio	Current Assets	1.42	1.31	8.04%
	Current Liabilities			
(b) Debt-Equity Ratio	Total Debts	0.67	1.01	-33.60%
	Shareholder's Equity			
(c) Return on Equity Ratio	Profit after Tax	10.28%	5.92%	73.70%
	Average Shareholder's Equity			
(d) Inventory turnover ratio	Total Turnover	2.96	3.37	-12.13%
	Average Inventories			
(e) Trade receivables turnover ratio	Total Turnover	1.18	1.76	-33.25%
	Average Trade Receivable			
(f) Trade payables turnover ratio	Total Purchases	1.69	2.42	-30.02%
	Average Trade Payable			
(g) Net capital turnover ratio	Total Turnover	2.17	4.02	-46.03%
	Closing Working Capital			
(h) Net profit ratio	Net Profit	4.66%	1.98%	135.53%
	Total Turnover			
(i) Return on Capital employed	Earning before interest and taxes	11.61%	12.26%	-5.31%
	Capital Employed			

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENT

To the Members of

POLYSIL IRRIGATION SYSTEMS LIMITED
(formerly known as "Polysil Irrigation Systems Private Limited")

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of POLYSIL IRRIGATION SYSTEMS LIMITED (formerly known as "Polysil Irrigation Systems Private Limited") (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2024 and its profit, changes in equity and its cash flows for the year ended on that date.

Basis of opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA's") 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Responsibilities of Management and Those Charged with Governance for the 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 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 the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Paragraph 40(b) of this SA explains that the shaded material below can be located in an Appendix to the auditor's report. Paragraph 40(c) explains that when law, regulation or applicable auditing standards expressly permit, reference can be made to a website of an appropriate authority that contains the description of the auditor's responsibilities, rather than including this material in the auditor's report, provided that the description on the website addresses, and is not inconsistent with, the description of the auditor's responsibilities below. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 Section 143(3) of the Act, based on our audit we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cashflows dealt with by this Report are in agreement with the books of accounts.
 - d. In our opinion, the aforesaid financial statements comply with the accounting standard 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 March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - g. 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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position in its financial statements.
 - ii. The Company didn't have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"),

with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. There is no dividend declared or paid during the year by the company and hence provisions of section 123 of the companies Act, 2013 are not applicable.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility. The company didn't operate the said facility.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Ratan Chandak & Co.
Chartered Accountants**

-sd-

**CA Jagadish Sate
Partner**

Membership No.: 182935

Firm Reg. No.: 108696W

UDIN: 24182935BKBIXS1404

Place: Navi Mumbai
Date: June 01, 2024

TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of POLYSIL IRRIGATION SYSTEMS LIMITED (formerly known as "Polysil Irrigation Systems Private Limited") of even date)

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

We have audited the internal financial controls with reference to financial statements of POLYSIL IRRIGATION SYSTEMS LIMITED (the "Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Ratan Chandak & Co.
Chartered Accountants

-sd-
CA Jagadish Sate
Partner

Membership No.: 182935
Firm Reg. No.: 108696W
UDIN: 24182935EKBIXS1404

Place: Navi Mumbai
Date: June 01, 2024

TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Polysil Irrigation Systems Limited** (formerly known as "**Polysil Irrigation Systems Private Limited**") of even date

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

- i. In respect of the Company's property, plant and equipment, right-of-use assets and intangible assets:
 - a.
 - A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
 - B. The Company has maintained proper records showing full particulars of intangible assets.
 - b. The Company has a program of physical verification of property, plant and equipment and right-of-use assets so to cover all the assets at reasonable intervals which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment and right-of-use assets were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c. Based on our examination of documents and according to the information and representations made by the Company, we report that title deeds of all immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - d. The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.
 - e. Based on our examination of documents and according to the information and representations made by the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - a. As per the information and explanations given us, the inventories held by the company have been physically verified by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable and no discrepancies of 10% or more in aggregate for each class of inventory were noticed on physical verification.
 - b. The Company has been sanctioned working capital limits of Rs. 20.90 Crores, which has increased by Rs. 1.73 Crores compared with last year, vide letter from bank dated 18/09/2023, in aggregate, during the financial year, from banks or financial institutions on the basis of security of current assets. The company has been submitting statements to bank. On verification of the statements deviation from books of accounts was noticed. The same has been disclosed in Note No. 38 of the financial statements.
- iii. In our opinion and according to the information and representations made to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence the requirements of paragraph 3(iii) of the companies (Auditor's Report) Order, 2020 ("the order") are not applicable to the company.
- iv. In our opinion and according to the information and representations made to us, the company has not given any loans in relation to the provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of para 3 (iii) (a) to (f) of the order are not applicable to the company. We have also placed our reliance on the management for the intent of advance to conclude under the provision of section 185 and 186 of the Companies Act, 2013.
- v. In our opinion and according to the information and representations made to us, the Company has not accepted any deposits from the public, the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed there under are therefore not applicable.
- vi. In our opinion and according to the information and representations made to us, the Cost records have been maintained by the company as prescribed by the Central Government under section (1) of section 148 of the Companies Act. We are of the opinion that prima facie the prescribed cost records have been made and maintained by the company.
- vii. In respect of statutory dues
 - a. In our opinion and according to the information and representations made to us, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities except for profession tax and provident Fund, the extent of the arrears of outstanding profession Tax dues as on the last day of the financial year concerned is indicated below:-

Statutory Dues	Month	Due Date of Payment	Amount of Due for Payment
Professional Tax	Sept-23	15/10/2023	11,400
	Oct-23	15/11/2023	10,400
	Nov-23	15/12/2023	10,600
	Dec-23	15/01/2024	11,000
	Jan-24	15/02/2024	11,400
	Feb-24	15/03/2024	10,800
	Mar-24	15/04/2024	11,400
Provident Fund	Dec-23	15/01/2024	1,71,570
	Jan-24	15/02/2024	1,65,238
	Feb-24	15/03/2024	1,62,745
	Mar-24	15/04/2024	1,69,841

- b. Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount ₹ Lakhs
The Income Tax Act, 1961	Income Tax	CPC - Bangalore	AY ⁽¹⁾ 2020-21 (Tax) AY ⁽¹⁾ 2020-21 (Interest)	11.27 3.38
	Income Tax	CPC – Bangalore	AY ⁽¹⁾ 2016-17	0.68
The Income Tax Act, 1961	TDS	CPC - Bangalore	FY ⁽¹⁾ 2022-23	0.1004
	TDS	CPC - Bangalore	FY ⁽¹⁾ 2021-22	3.6864
	TDS	CPC - Bangalore	FY ⁽¹⁾ 2020-21	1.9957
	TDS	CPC - Bangalore	FY ⁽¹⁾ 2019-20	0.0002
	TDS	CPC - Bangalore	FY ⁽¹⁾ 2017-18	0.0088
	TDS	CPC - Bangalore	FY ⁽¹⁾ 2015-16	0.0083
	TDS	CPC - Bangalore	FY ⁽¹⁾ 2014-15	0.4314
	TDS	CPC - Bangalore	FY ⁽¹⁾ 2013-14	0.5837
	TDS	CPC - Bangalore	FY ⁽¹⁾ 2011-12	0.0014
	TDS	CPC - Bangalore	FY ⁽¹⁾ 2010-11	1.1904
	TDS	CPC - Bangalore	FY ⁽¹⁾ 2009-10	0.0225

Footnotes:⁽¹⁾ AY=Assessment Year; FY= Financial Year

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix.
- In our opinion and according to the information and representations made to us, the Company has not defaulted in repayment of loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
 - In our opinion and according to the information and representations made to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - In our opinion and according to the information and representations made to us, and the procedures performed by us the term loans were applied for the purpose for which the loans were obtained.
 - In our opinion and according to the information and representations made to us, and the procedures performed by us the funds raised on short term basis have not been utilized for long term purpose.

POLYSIL IRRIGATION SYSTEMS LIMITED

- e. In our opinion and according to the information and representations made to us, the Company has no subsidiaries, associates or joint ventures, hence reporting under clause 3(ix)(e) of the Order is not applicable.
- f. In our opinion and according to the information and representations made to us, the Company has no subsidiaries, associates or joint ventures, hence reporting under clause 3(ix)(f) of the Order is not applicable.

x. Utilization of IPO & FPO and Private Placement and Preferential issues:

- a. The company had made an initial public offering (IPO) cum offer for sale of 32,28,000 equity shares in aggregate of face value of Rs.10/- each fully paid up for cash at a price of Rs.54/- per equity share (including share premium of Rs. 44 per equity share) aggregating to Rs. 1743.12/- Lakhs (Fresh Issue of Rs. 779.76 lakhs and Offer for sale of Rs. 963.36 lakhs). The equity shares were allotted on 14 February 2024. The equity shares of the company got listed on NSE Emerge Platform on 16th February, 2024. Out of 32,28,000 equity share 17,84,000 share is offer for sale and 14,44,000 share is fresh issue.

The Proceeds from the IPO and Private Placement other than offer for sale and net off IPO expenses is Rs. 605.45 lakhs the object & proposed utilisation of the same is as follows:

Sr. No.	Objective of the Issue	Modified Object, If any	Original Allocation (₹ in Lakhs)	Modified Allocation, If any	Fund utilized (₹ in Lakhs)	Amount of Deviation / Variation according to applicable Object	Remarks, If any
1	Funding our Working Capital Requirements	--	500.00	--	500.00	--	--
2	General corporate purposes & Issue Related Expenses	--	279.76	--	206.84	72.92 [#]	--
Total			779.76		706.84	72.92	

[#] The said amount is held in escrow as on 31st March 2024

- b. According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year hence the clause 3(x)(b) of the Order is not applicable.

xi.

- a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report
- c. In our opinion and according to the information and representations made to us, there are no whistle blower complaints received by the company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv.

- a. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b. The provisions of section 138 of the Act and Rule 13 of the Companies (Accounts) Rules, 2014 are not applicable to the Company, hence reporting under clause 3(xiv)(b) of the Order is not applicable.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi.

- a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

- xviii.** There has been resignation of the statutory auditors of the Company during the year. The outgoing auditor has raised no issues, objections or concerns.
- xix.** On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx.** The provisions of Corporate Social Responsibility (CSR) are not applicable to the company therefore reporting under clause 3(xx) (a) and (b) is not applicable.
- xxi.** The company has no subsidiary, associates or joint ventures and the company is not required to prepare consolidated financial statements as per the section 129 of the Companies Act. Accordingly reporting under clause 3(xxi) of the Order is not applicable to the company.

For Ratan Chandak & Co.
Chartered Accountants

-sd-
CA Jagadish Sate
Partner

Membership No.: 182935
Firm Reg. No.: 108696W
UDIN: 24182935BKBIXS1404

Place: Navi Mumbai
Date: June 01, 2024

POLYSIL IRRIGATION SYSTEMS LIMITED
CIN: U17100GJ1985PLC127398

Balance Sheet as at March 31, 2024

(Rs in lakhs)

Particulars	Note	March 31, 2024	March 31, 2023
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share Capital	3	1,134.11	989.71
(b) Reserves and Surplus	4	1,362.63	546.00
Total		2,496.74	1,535.71
(2) Non-current liabilities			
(a) Long-term Borrowings	5	115.72	169.98
(b) Deferred Tax Liabilities (net)	6	89.07	77.92
(c) Other Long-term Liabilities	7	256.51	258.12
(d) Long-term Provisions	8	16.82	22.72
Total		478.12	528.74
(3) Current liabilities			
(a) Short-term Borrowings	9	1,554.56	1,377.27
(b) Trade Payables	10		
- Due to Micro and Small Enterprises		80.59	195.53
- Due to Others		2,189.86	1,149.40
(c) Other Current Liabilities	11	871.29	586.77
(d) Short-term Provisions	12	177.14	158.04
Total		4,873.44	3,467.01
Total Equity and Liabilities		7,848.30	5,531.46
II. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	13	774.31	815.27
(ii) Intangible Assets	13	95.22	119.54
(b) Other Non-current Assets	14	55.71	38.07
Total		925.24	972.88
(2) Current assets			
(a) Inventories	15	1,610.76	1,394.28
(b) Trade Receivables	16	4,751.42	2,810.87
(c) Cash and cash equivalents	17	142.27	88.82
(d) Short-term Loans and Advances	18	412.55	258.89
(e) Other Current Assets	19	6.06	5.73
Total		6,923.05	4,558.59
Total Assets		7,848.29	5,531.47

See accompanying notes to the financial statements

As per our report of even date
For RATAN CHANDAK & CO
Chartered Accountants
Firm's Registration No. 108696W

CA Jagadish Sate
Partner
Membership No. 182935
UDIN: 24182935BKBIXS1404
Place: Navi Mumbai
Date: June 01, 2024

For and on behalf of the Board of
POLYSIL IRRIGATION SYSTEMS LIMITED

-sd-
Bharat Patel
CEO & Managing Director
DIN: 7780251

-sd-
Praful Radadia
Whole-Time Director
DIN:9660425

-sd-
Aman Malapni
Chief Financial Officer

-sd-
Neha Gupta
Company Secretary
Place: Vadodara
Date: June 01, 2024

POLYSIL IRRIGATION SYSTEMS LIMITED

CIN: U17100GJ1985PLC127398

Statement of Profit and loss for the year ended March 31, 2024

(Rs in lakhs)

Particulars	Note	March 31, 2024	March 31, 2023
Revenue from Operations	20	4,446.42	4,387.66
Other Income	21	10.11	4.83
Total Income		4,456.53	4,392.49
Expenses			
Cost of Material Consumed	22	1,648.54	2,038.09
Purchases of Stock in Trade	23	1,426.07	647.06
Change in Inventories of work in progress and finished goods	24	-240.58	-149.62
Employee Benefit Expenses	25	403.48	557.23
Finance Costs	26	192.23	149.22
Depreciation and Amortization Expenses	27	72.48	52.58
Other Expenses	28	652.46	832.90
Total expenses		4,154.68	4,127.45
Profit/(Loss) before Exceptional and Extraordinary Item and Tax		301.85	265.04
Exceptional Item		-	-
Profit/(Loss) before Extraordinary Item and Tax		301.85	265.04
Prior Period Item	29	-	26.73
Extraordinary Item		-	-
Profit/(Loss) before Tax		301.85	238.31
Tax Expenses	30		
- Current Tax		83.53	63.42
- Deferred Tax		11.15	87.72
- Excess/Short Provision Written back/off		-	0.37
Profit/(Loss) after Tax		207.17	86.80
Earnings Per Share (Face Value per Share Rs.10 each)			
-Basic (In Rs)	31	2.06	0.88
-Diluted (In Rs)	31	2.06	0.88

See accompanying notes to the financial statements

As per our report of even date
For RATAN CHANDAK & CO
Chartered Accountants
Firm's Registration No. 108696W

CA Jagadish Sate
Partner
Membership No. 182935
UDIN: 24182935BKBIXS1404
Place: Navi Mumbai
Date: June 01, 2024

For and on behalf of the Board of
POLYSIL IRRIGATION SYSTEMS LIMITED

-sd-
Bharat Patel
CEO & Managing Director
DIN: 7780251

-sd-
Praful Radadia
Whole-Time Director
DIN:9660425

-sd-
Aman Malapni
Chief Financial Officer

-sd-
Neha Gupta
Company Secretary
Place: Vadodara
Date: June 01, 2024

POLYSIL IRRIGATION SYSTEMS LIMITED
CIN: U17100GJ1985PLC127398

Cash Flow Statement for the year ended March 31, 2024**(Rs in lakhs)**

Particulars	Note	March 31, 2024	March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit after tax		207.17	174.51
Profit/(loss) from Discontinuing Operation (after tax)		-	-
Depreciation and Amortisation Expense		72.48	52.58
Provision for tax		94.68	63.79
Interest Income		-1.72	-6.19
Finance Costs		192.23	149.22
Operating Profit before working capital changes		564.83	433.91
Adjustment for:			
Inventories		-216.48	-182.81
Trade Receivables		-1,940.55	-640.88
Loans and Advances		-0.01	-
Other Current Assets		-153.86	15.32
Other Non-current Assets		-17.43	-
Trade Payables		925.51	437.59
Other Current Liabilities		282.91	165.51
Long term Liabilities		-	-
Short-term Provisions		-1.58	34.87
Long-term Provisions		14.78	-
Cash (Used in)/Generated from Operations		-541.87	263.50
Tax paid (Net)		83.53	63.79
Net Cash (Used in)/Generated from Operating Activities		-625.40	199.72
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment		-7.19	-161.80
Investment in Term Deposits		-59.41	-3.64
Interest received		1.39	4.41
Net Cash (Used in)/Generated from Investing Activities		-65.21	-161.04
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Issue of Share Capital		753.87	50.12
Proceeds from Long Term Borrowings		-54.26	-39.97
Proceeds from Short Term Borrowings		177.29	92.26
Interest Paid		-192.23	-149.22
Net Cash (Used in)/Generated from Financing Activities		684.66	-46.81
Net Increase/(Decrease) in Cash and Cash Equivalents		-5.94	-8.13
Opening Balance of Cash and Cash Equivalents		6.65	14.78
Exchange difference of Foreign Currency Cash and Cash equivalents		-	-
Closing Balance of Cash and Cash Equivalents	17	0.71	6.65

Components of cash and cash equivalents	March 31, 2024	March 31, 2023
Cash on hand	0.01	0.09
Cheques, drafts on hand	-	-
Balances with banks in current accounts	0.70	6.57
Bank Deposit having maturity of less than 3 months	-	-
Others	-	-
Cash and cash equivalents as per Cash Flow Statement	0.71	6.65

Note:

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS-3), "Cash Flow Statements".

See accompanying notes to the financial statements

As per our report of even date
For RATAN CHANDAK & CO
Chartered Accountants
Firm's Registration No. 108696W

CA Jagadish Sate
Partner
Membership No. 182935
UDIN: 24182935BKBIXS1404
Place: Navi Mumbai
Date: 01 June 2024

For and on behalf of the Board of
POLYSIL IRRIGATION SYSTEMS LIMITED

-sd-
Bharat Patel
CEO & Managing Director
DIN: 0780251

-sd-
Aman Malapni
Chief Financial Officer

-sd-
Praful Radadia
Whole-Time Director
DIN: 09660425

-sd-
Neha Gupta
Company Secretary
Place: Vadodara
Date: 01 June 2024

POLYSIL IRRIGATION SYSTEMS LIMITED
CIN: U17100GJ1985PLC127398

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. COMPANY INFORMATION

This financial statements of Polysil Irrigation Systems Limited (hereinafter referred to as the "Company"), for the year ended March 31, 2024.

Polysil Irrigation Systems Limited is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 1956 ("the Act"). The registered office of the Company is located at Survey No- 340/1, Beside Hystuff Steel, At/Post - Raniya, Taluka Savli, District - Vadodara Raniya, Taluka - Savli, Vadodara, Gujarat - 391780. The principal place of business of the Company is in India.

The Company is in the business of manufacturing and selling of HDPE/LLDPE/LD Pipes and Micro Irrigation Systems.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The financial statements have been prepared to comply in all material respects with the Accounting Standards notified under the section 133 of the Companies Act, 2013 read together with rule 7 of the Companies (Accounts) Rules 2014 and Companies (accounting standards) amendment rules 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year.

The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified as per sub-section (1) of section 129 of the Companies Act, 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.

All the amounts included in the Financial Statements are presented in Indian Rupees ('Rupees' or 'Rs.' Or 'INR') and are rounded to the nearest Lakhs, except per share data and unless stated otherwise.

b. Use of Estimates

The preparation of financial statements in conformity with the Indian GAAP requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Examples of such estimates include provisions for doubtful receivables, provision for income taxes, the useful lives of depreciable fixed assets and provision for impairment. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognised in the period in which the results are known / materialise.

c. Property, Plant & Equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment, if any. Property, plant and equipment is depreciated on a straight-line value basis to its residual value over its estimated useful life.

Cost directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management.

Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Company and cost of the item can be measured reliably. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All repair and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under the non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work in progress'.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss on the date of disposal or retirement.

d. Intangible assets

Separately acquired intangible assets, such as software are measured initially at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the restated statement of profit and loss in the year in which the expenditure is incurred. Intangible assets with finite useful lives are carried at cost and are amortised on a written down value basis over their estimated useful lives and charged to statement of profit and loss.

Software and licenses acquired are amortized at the 5 years on straight line value method.

POLYSIL IRRIGATION SYSTEMS LIMITED

The amortization period and the amortization method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the restated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

e. Depreciation and amortization

Depreciation and amortisation are provided using the straight-line value method and charged to statement of profit and loss as per the useful life prescribed under Schedule II of the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Type of Assets	Period
Factory Building	30
Staff Quarter	60
Factory Road	30
Plant and Machinery	15
Die Heads	15
Factory Equipment	15
Laboratory Equipment	10
Electrical Installation	10
Office Equipment	5
Air Conditioners	5
Furniture and Fixtures	10
Computer	3 to 6
Vehicle	8 to 10

f. Impairment of assets

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in financial year.

g. Leases

Assets taken on lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating leases. Lease rentals under operating leases are recognised in the statement of profit and loss on a straight-line basis.

h. Investment

- i) Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.
- ii) On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.
- iii) Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.
- iv) On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

i. Inventories

- i) Raw materials, packing materials and stores & spares are valued at lower of cost and net realizable value. Cost of raw materials, packing materials are determined on First in First out (FIFO) basis and cost of stores & spares are determined on weighted average cost method.

- ii) Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on FIFO basis.
- iii) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

j. Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

k. Capital Work-in-progress

Cost and direct expense incurred for construction of assets or assets to be acquired and which are not ready for use are disclosed under "Capital Work-in-progress"

l. Retirement and other employee benefits

For defined benefit plans, the liability or asset recognised in the statement of assets and liabilities on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

The Company's contributions to defined contribution plans (provident fund) are recognized in statement of profit and loss when the employee renders related service. The Company has no further obligations under these plans beyond its periodic contributions.

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as salary and wages payable under other current liabilities in the statement of assets and liabilities.

m. Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer net of variable consideration e.g. discounts, volume rebates, any payments made to a customer (unless the payment is for a distinct good or service received from the customer) and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control over a product or service to a customer. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

The Company provides incentives to its users in various forms. Incentives which are consideration payable to the customer that are not in exchange for a distinct good or service are generally recognized as a reduction of revenue.

Where the Company acts as an agent for selling goods or services, only the commission income is included within revenue. The specific revenue recognition criteria described below must also be met before revenue is recognized. Typically, the Company has a right to payment before or at the point that services are delivered. Cash received before the services are delivered is recognised as a contract liability. The amount of consideration does not contain a significant financing component as payment terms are less than one year.

Sale of Goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are presented net of Excise duty collected on behalf of the Government, trade discounts and returns, as applicable.

Sale of services

Revenue from services is recognized when the control in services is transferred as per the terms of the agreement with customer i.e. as and when services are rendered. Revenues are disclosed net of the Goods and Service tax charged on such services. In terms of the contract, excess of revenue over the billed at the year-end is carried in the statement of assets and liabilities as unbilled revenue under other financial assets where the amount is recoverable from the customer without any future performance obligation. Cash received before the services are delivered is recognised as a contract liability.

Other operating revenue

Where the Company is contractually entitled to receive claims/compensation in case of non-discharge of obligations by customers, such claims/compensations are measured at amount receivable from such customers and are recognised as other operating revenue when there is a reasonable certainty that the Company will be able to realize the said amounts.

Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss account.

n. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in the restated statement of profit and loss in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

o. Earnings/ (loss) per share (EPS)

Basic EPS amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/ (loss) attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

p. Foreign currency transactions

Functional and presentation currency

Items included in the Restated Financial Information of the Company are measured using the currency of the primary economic environment in which it operates i.e. the "functional currency". The Company's restated financial information is presented in INR.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's at their respective functional currency at exchange rates prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in statement of profit and loss).

q. Taxation

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the India where the Company operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, the carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax

Credit of MAT is recognised as deferred tax asset only when it is probable that taxable profit will be available against which the credit can be utilised. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the restated statement of profit and loss account. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is no longer probable that the Company will pay normal income tax during the specified period."

Taxes paid on acquisition of assets or on incurring expenses

Assets are recognised net of the amount of GST paid, except when the tax incurred on a purchase of assets is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset.

Expenses are recognised net of the amount of GST paid, except when the tax incurred on a purchase of services is not recoverable from the taxation authority, in which case, the tax paid is expensed off in statement of profit and loss.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current/ non-current assets or other current liabilities in the statement of assets and liabilities.

r. Segment accounting

The Company is engaged in one segment only i.e. High-Density Polyethylene Pipe (HDPE)/Linear Low Density Polyethylene Pipe (LLDPE)/Low Density Polyethylene Pipe (LDPE) and Micro irrigation Systems and hence there are no separate reportable segments.

s. Government grants and subsidies

- i) Grants and subsidies from the government are recognized when there is reasonable assurance that (a) the company will comply with the conditions attached to them, and (b) the grant/subsidy will be received.
- ii) Where the grant relates to an asset, it is shown as a reduction from the gross value of the asset concerned in arriving at its book value. The grant is thus recognised in the statement of profit and loss over the useful life of the asset by way of reduced depreciation charge.
- iii) Where the grant relates to reimbursement of interest on term loan, it is recognised as a reduction from the finance cost of the term loan concerned.

t. Provisions & Contingencies

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 an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not have recognized a contingent commitment in the financial statements.

u. Prior Period Items

Prior period items shall be separately disclosed in the statement of profit and loss in the reporting period together with their nature and amount in a manner so that their impact on profit or loss in the reporting period can be perceived.

Had complied with AS 15 the prior period expenses are incurred in the reporting period and which has been recognised and disclosed separately in statement of profit and loss.

v. Exceptional Items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the Financial Statements.

As per our report of even date
For RATAN CHANDAK & CO
Chartered Accountants
Firm's Registration No. 108696W

CA Jagadish Sate
Partner
Membership No. 182935
UDIN: 24182935BKBIXS1404
Place: Navi Mumbai
Date: June 01, 2024

**For and on behalf of the Board of
POLYSIL IRRIGATION SYSTEMS LIMITED**

**-sd-
Bharat Patel
CEO & Managing Director
DIN: 07780251**

**-sd-
Aman Malapni
Chief Financial Officer**

**-sd-
Praful Radadia
Whole-Time Director
DIN: 09660425**

**-sd-
Neha Gupta
Company Secretary
Place: Vadodara
Date: June 01, 2024**

3. Share Capital

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Authorised Share Capital		
Equity Shares, of Rs. 10 each, 14500000 (Previous Year -14500000) Equity Shares	1,450.00	1,450.00
Issued, Subscribed and Fully Paid-up Share Capital		
Equity Shares, of Rs. 10 each, 11341090 (Previous Year -9897090) Equity Shares paid up	1,134.11	989.71
Total	1,134.11	989.71

Pursuant to a special resolution at the meeting of the members of the company held on 13 December, 2022 sub-division of each of the equity shares of the company having a face value of Rupees 100/- each in the authorised equity capital of the company into 10 equity shares.

Pursuant to a special resolution at the meeting of the members of the company held on 13 December, 2022 has been increased the authorised share capital of the company from existing INR 70,00,000/- to revised INR 14,50,00,000/- (addition INR 13,80,00,000/-).

The Board of Directors pursuant to a resolution dated January 16, 2023 and the shareholders special resolution dated January 23, 2023 have approved the issuance of twenty bonus equity shares of face value Rs. 10 each for every one existing fully paid up equity share of face value Rs. 10 each and accordingly 9425800 bonus equity shares were issued and allotted in accordance with the Section 63 of the Companies Act, 2013

The company had made an initial public offering (IPO) cum offer for sale of 32,28,000 equity shares in aggregate of face value of Rs.10/- each fully paid up for cash at a price of Rs.54/- per equity share (including share premium of Rs. 44 per equity share) aggregating to Rs. 1743.12/- Lakhs (Fresh Issue of Rs. 779.76 lakhs and Offer for sale of Rs. 963.36 lakhs). The equity shares were allotted on 14 February 2024. The equity shares of the company got listed on NSE Emerge Platform on 16th February, 2024. Out of 32,28,000 equity share 17,84,000 share is offer for sale and 14,44,000 share is fresh issue.

(i) Reconciliation of number of shares

Particulars	March 31, 2024		March 31, 2023	
	No. of shares	(Rs in lakhs)	No. of shares	(Rs in lakhs)
Equity Shares				
Opening Balance	9,897,090	989.71	454,990	45.50
Sub-division/Issued /Bonus issue during the year	1,444,000	322.80	9,442,100	944.21
Deletion	-	-	-	-
Closing balance	11,341,090	1,312.51	9,897,090	989.71

(ii) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has one class of equity shares having a par value of Rs. 10 (previous year Rs. 100) per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Details of Shares held by shareholders holding more than 5% of the aggregate shares in the company

Equity Shares	March 31, 2024		March 31, 2023	
	No. of shares	In %	No. of shares	In %
Name of Shareholder				
Bharatkumar Patel	2,866,500	25.28%	2,866,500	28.96%
Payal Jain	955,500	8.43%	955,500	9.65%
Satishkumar Dayabhai Maniya	643,650	5.68%	1,273,650	12.87%
Sunilkumar Diplal Shah	643,860	5.68%	1,273,860	12.87%
Rameshbhai Virjibhai Kakadiya	345,070	3.04%	1,274,070	12.87%

(iv) Shares held by Promoters & Promoter Group at the end of the year March 31, 2024

Name of Promoter	Class of Shares	No. of Shares	% of total shares	% Change during the year
Bharatkumar Patel	Equity	2,866,500	25.28%	-3.68%
Prafulbhai Damjibhai Radadia	Equity	477,750	4.21%	-0.62%
Ashaben Niravbhai Katrodiya	Equity	191,100	1.68%	100%

Shares held by Promoters at the end of the year March 31, 2023

Name of Promoter	Class of Shares	No. of Shares	% of total shares	% Change during the year
Bharatkumar Patel	Equity	2,866,500	28.96%	8.96%
Prafulbhai Damjibhai Radadia	Equity	477,750	4.83%	-0.17%

(v) Equity shares movement during 5 years preceding March 31, 2024

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
Equity shares issued as bonus	-	9,425,800	-	-	-
Equity Shares issued Through IPO	1,444,000	-	-	-	-
Equity shares extinguished on buy-back	-	-	-	-	-

The Board of Directors pursuant to a resolution dated January 16, 2023 and the shareholders special resolution dated January 23, 2023 have approved the issuance of twenty bonus equity shares of face value Rs. 10 each for every one existing fully paid up equity share of face value Rs. 10 each and accordingly 9425800 bonus equity shares were issued and allotted in accordance with the Section 63 of the Companies Act, 2013

The company had made an initial public offering (IPO) cum offer for sale of 32,28,000 equity shares in aggregate of face value of Rs.10/- each fully paid up for cash at a price of Rs.54/- per equity share (including share premium of Rs. 44 per equity share) aggregating to Rs. 1743.12/- Lakhs (Fresh Issue of Rs. 779.76 lakhs and Offer for sale of Rs. 963.36 lakhs). Out of 32,28,000 equity share 17,84,000 share is offer for sale and 14,44,000 share is fresh issue.

4 Reserves and Surplus

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Securities Premium		
Opening Balance	-	-
Add: Issue of Shares	635.36	-
(Add)/Less: Adjustment	25.89	-
Closing Balance	609.47	-
Other Reserves		
Opening Balance	-	15.34
Add: Transfer from P&L	-	48.49
Less: Issue of Bonus Shares	-	63.83
Closing Balance	-	-
Statement of Profit and loss		
Balance at the beginning of the year	546.00	1,337.95
Add: Profit/(loss) during the year	207.17	86.79
Less: Appropriation		
Issue of Bonus Shares	-	878.75
Balance at the end of the year	753.17	546.00
Total	1,362.63	546.00

5 Long term borrowings

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Secured Term loans from banks	-	127.07
Secured Term loans from other parties		
-Cholamandalam Investment and Finance Company Ltd-Voltas Forklift Truck	4.45	-
-UBI Term Loan-GECL	13.79	-
-UBI Term Loan-Machine	63.20	-
-Others	-	8.43
Unsecured Term loans from other parties	34.28	34.48
Total	115.72	169.98

Particulars of Long-term Borrowings				
Name of Lender/Type of Loan	Nature of Security	Rate of Interest	Monthly Installments	No of Installment
HDFC Bank- GECL	Raw material, stock in process, finished goods and receivables/ book debts and other current assets	8.90%	519474	37
HDFC-Plant and machinery	Plant & Machinery	8.40%	300570	62
UBI Term Loan UGECL	Raw material, stock in process, finished goods and receivables/ book debts and other current assets	7.50%	349885	23
UBI Term Loan Machine	Plant & Machinery	10.05%	245555	45
Cholamandalam Investment and Finance Company Ltd	Voltas Forklift Truck	11.01%	39292	36
Bajaj Finserv		18.00%	51720	60

a) HDFC Bank - GECL

The loan is primarily secured by way of hypothecation of present and future raw material, stock in process, finished goods and receivables/ book debts and other current assets. Interest Rate is 8.9% 3M T-bill to be linked at time of limit set/ loan booking will be applicable p.a. subject to reset at quarterly intervals. The loan is repayable in 37 equal monthly Installments of Rs. 5,19,474/-.

b) HDFC Bank - Plant and machinery

The loan is primarily secured by way of hypothecation of plant and machinery purchased from loan. Interest Rate is 8.4% 3M T-bill to be linked at time of limit set/ loan booking will be applicable p.a. subject to change after one year. The loan is repayable in 62 equal monthly Installments of Rs. 3,00,570/-.

c) UBI Term Loan UGECL

The loan is primarily secured by way of Hypothecation of stock , book debts & Plant & Machinery, entire current assets, FDR for Cash Margin, Mortgage of factory premises & Open plot . Interest rate is 7.50%. The loan is repayable in 23 equal monthly Installments of Rs. 3,49,885/-

d) UBI Term Loan Machine

The loan is primarily secured by way of Hypothecation of stock , book debts & Plant & Machinery, entire current assets, FDR for Cash Margin, Mortgage of factory premises & Open plot . Interest rate is 10.05%. The loan is repayable in 45 equal monthly Installments of Rs. 2,45,555/-.

The above loans are further secured by way of equitable mortgage of factory Land & Building situated at R.S. no. 340/1, Near Sayaji Paper Pvt. Ltd. Sakarda Raniya Road, Mouje Village Raniya, Savli, Vadodara. The above loans are further secured by way of equitable mortgage immovable property situated at residential plot No.21 situated at block no. 478, Krushna nagar, B/H Bharat Petrol Pump, Nr. Kamrej Char Rast, NH 8, Kamrej, Surat owned by Tulsibhai Jadhavbhai Patel, Nitinbhai Tulsibhai Patel, Rajendrabhai Tulsibhai Patel and Bharatbhai Tulsibhai Patel are one of the director and relative of the director of the company. The above loans are also secured by way of personal guarantee of all the directors and Tulsibhai Jadhavbhai Patel, Nitinbhai Tulsibhai Patel, Rajendrabhai Tulsibhai Patel and Asmitaben Patel the relatives of the directors of the company.

6 Deferred tax liabilities Net			(Rs in lakhs)
Particulars	March 31, 2024	March 31, 2023	
Deferred Tax Liabilities	89.07	77.92	
Total	89.07	77.92	

Significant components of Deferred Tax			(Rs in lakhs)
Particulars	March 31, 2024	March 31, 2023	
Deferred Tax Liability			
Difference between book depreciation and tax depreciation	95.40	93.30	
Gross Deferred Tax Liability (A)	95.40	93.30	
Deferred Tax Asset			
Expenses provided but allowable in Income tax on Payment basis	6.33	15.37	
Gross Deferred Tax Asset (B)	6.33	15.37	
Net Deferred Tax Liability (A)-(B)	89.07	77.92	

7 Other Long-term liabilities		(Rs in lakhs)	
Particulars	March 31, 2024	March 31, 2023	
Others			
-Retention Money Deposit	28.18	14.19	
-Security Deposit from Customer's	228.33	243.93	
Total	256.51	258.12	

8 Long term provisions		(Rs in lakhs)	
Particulars	March 31, 2024	March 31, 2023	
Provision for employee benefits			
-Provision for Compensated Absences	2.04	4.28	
-Provision for Gratuity	14.78	18.44	
Total	16.82	22.72	

9 Short term borrowings		(Rs in lakhs)	
Particulars	March 31, 2024	March 31, 2023	
Current maturities of long-term debt			
-Bajaj Finserv-Business Loan	-	0.52	
-Cholamandalam Investment and Finance Company Ltd-Voltas Forklift Truck	3.87	3.57	
-HDFC Term Loan-GECL	-	56.24	
-HDFC Term Loan-Machine	-	27.35	
-UBI Term Loan-GECL	39.58	-	
-UBI Term Loan-Machine	29.33	-	
Secured Loans repayable on demand from banks	1,218.98	1,153.13	
Unsecured Loans and advances from related parties			
-From Directors	262.80	136.46	
Total	1,554.56	1,377.27	

10 Trade payables		(Rs in lakhs)	
Particulars	March 31, 2024	March 31, 2023	
Due to Micro and Small Enterprises	80.59	195.53	
Due to others	2,189.86	1,149.40	
Total	2,270.45	1,344.93	

10.1 Trade Payable ageing schedule as at March 31, 2024		(Rs in lakhs)			
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	42.43	28.54	6.50	3.11	80.59
Others	772.53	201.32	62.51	1,153.50	2,189.86
Disputed dues- MSME					-
Disputed dues- Others					-
Sub total					2,270.44
MSME - Undue					
Others - Undue					
Total					2,270.44

10.2 Trade Payable ageing schedule as at 31 March 2023

(Rs in lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	137.03	47.29	11.20		195.53
Others	1,056.08	75.88	17.45		1,149.40
Disputed dues- MSME					-
Disputed dues- Others					-
Sub total					1,344.94
MSME - Undue					
Others - Undue					
Total					1,344.94

11 Other current liabilities

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Income received in advance	-	204.37
Statutory dues		
-GST Receivable/ Refundable	94.15	-
Advances from customers	300.56	-
Other payables		
-ESIC Payable	0.11	0.19
-Imprest to Employees	186.45	115.83
-PF Payable	6.62	2.57
-PT Payable	0.77	10.68
-Salary and Wages Payable	230.18	218.96
-TCS on Scrap Sales	0.02	0.03
-TDS Payable	46.98	34.14
Issue Expenses Payable	5.45	-
Total	871.29	586.77

12 Short term provisions

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Provision for employee benefits		
-Provision for Bonus	15.80	21.12
-Provision for Compensated Absences	0.90	1.89
-Provision for Gratuity	6.09	9.05
Others		
-Provision for Commission Expenses	-	22.20
-Provision for Expenses	2.60	34.06
-Provision for Tax (Net of advance tax)	146.95	63.42
Total	177.14	158.04

13. Property, Plant and Equipment
(Rs in lakhs)

Name of Assets	Gross Block			Depreciation and Amortization				Net Block	Net Block	
	As on 01-Apr-23	Addition	Deduction	As on 31-Mar-24	As on 01-Apr-23	for the year	Deduction	As on 31-Mar-24	As on 31-Mar-23	
(i) Property, Plant and Equipment										
Land	283.82	-	-	283.82	-	-	-	-	283.82	283.82
Factory Building	177.11	-	-	177.11	25.95	5.82	-	31.77	145.34	151.16
Road	33.26	-	-	33.26	1.62	1.06	-	2.68	30.58	31.64
Plant & Machinery	1,212.18	5.99	-	1,218.17	948.22	27.00	-	975.22	242.95	263.96
Electrical Installation	34.33	-	-	34.33	16.51	3.39	-	19.90	14.43	17.82
Office Equipment	5.41	1.21	-	6.62	2.18	1.00	-	3.19	3.44	3.23
Factory Equipment	19.78	-	-	19.78	11.28	1.32	-	12.60	7.18	8.50
Furniture & Fixtures	37.27	-	-	37.27	13.94	3.57	-	17.51	19.76	23.33
Computer	19.11	-	-	19.11	13.61	2.09	-	15.70	3.41	5.50
Laboratory Equipment	36.28	-	-	36.28	12.37	2.11	-	14.48	21.80	23.91
Air Conditioner & Refrigeration	5.64	-	-	5.64	3.24	0.80	-	4.04	1.60	2.40
Total	1,864.20	7.19	-	1,871.39	1,048.93	48.15	-	1,097.08	774.31	815.27
Previous Year	1,823.91	40.28	-	1,864.20	1,003.63	45.30	-	1,048.93	815.27	820.28
(ii) Intangible Assets										
Computer Software	17.59	-	-	17.59	12.03	1.47	-	13.50	4.09	5.56
Licenses	119.97	-	-	119.97	5.99	22.86	-	28.84	91.13	113.99
Total	137.56	-	-	137.56	18.02	24.33	-	42.35	95.22	119.54
Previous Year	16.04	121.52	-	137.56	10.74	7.28	-	18.02	119.54	5.30

During the Current Financial Year company Self constructed asset as License fees & Claimed depreciation as per the provisions of Schedule II of The Companies Act 2013.

14 Other non-current assets

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Security Deposits		
-Deposit with Government authorities	16.16	16.17
-Earnest Money Deposit	1.05	1.05
-Electricity deposit	20.63	20.63
-Rent Deposit	0.23	0.22
-Security Deposit NSC	17.43	-
-Others	0.21	-
Total	55.71	38.07

15 Inventories

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Raw materials	134.58	153.62
Work-in-progress	47.09	61.67
Finished goods	1,050.93	766.46
Stock-in-trade	287.92	311.47
Stores and spares	20.13	22.13
Packing Material	10.56	13.62
Goods-in-transit	59.55	65.30
Total	1,610.76	1,394.28

16 Trade receivables

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Unsecured considered good	4,751.42	2,810.87
Total	4,751.42	2,810.87

16.1 Trade Receivables ageing schedule as at March 31, 2024

(Rs in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	2,639.63	1,692.95	235.06	107.52	76.26	4,751.42
Undisputed Trade Receivables-considered doubtful						-
Disputed Trade Receivables considered good						-
Disputed Trade Receivables considered doubtful						-
Sub total						4,751.42
Undue - considered good						
Total						4,751.42

16.2 Trade Receivables ageing schedule as at March 31, 2023

(Rs in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	2,389.30	252.94	84.31	56.21	28.10	2,810.87
Undisputed Trade Receivables-considered doubtful						-
Disputed Trade Receivables considered good						-
Disputed Trade Receivables considered doubtful						-
Sub total						2,810.87
Undue - considered good						
Total						2,810.87

17 Cash and cash equivalents

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Cash on hand	0.01	0.09
Balances with banks in current accounts		
-Balance with Bank	0.69	6.57
Cash and cash equivalents – total	0.70	6.66
Other Bank Balances		
Deposits with original maturity for more than 12 months	141.57	82.16
Total	142.27	88.82

Bank Deposit having maturity of greater than 12 months, marked as lien against BG and LC

18 Short term loans and advances

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Advances to suppliers	0.01	-
Balances with Government Authorities		
-Advance Tax, TDS and TCS	13.89	6.95
-GST Receivable/ Refundable	-	-9.91
-Income Tax Refundable	-	0.01
Others		
-Advance to sundry creditors	190.56	51.38
-Prepaid Expenses	1.33	1.33
-Retention Money Deposit	206.76	209.13
Total	412.55	258.89

19 Other current assets

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Accrued Interest-FDR	6.06	5.73
Total	6.06	5.73

Particulars	March 31, 2024	March 31, 2023
Sale of products	4,440.38	4,385.51
Other operating revenues		
-Scrap Sales	6.04	2.15
Total	4,446.42	4,387.66

20.1 Revenue from major Products

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
HDPE/LLDPE/PVC Pipe	1,601.60	1,132.85
HDPE Sprinkler Systems	785.67	480.22
Drip Irrigation Systems	2,059.15	2,800.04
Total	4,446.42	4,413.11

21 Other Income

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Interest Income		
-Bank Deposit	1.83	6.18
-Interest on LC	-0.11	0.02
Other non-operating income (net of expenses)	0.02	-
Others		
-Net Gain on foreign currency transactions and translation	-	-1.37
-Sundry Balance Write Back	7.93	-
-Sundry Balance Written Off	0.44	-
Total	10.11	4.83

22 Cost of Material Consumed

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Raw Material Consumed		
Opening stock	153.62	118.58
Purchases	1,629.49	2,073.13
Less: Closing stock	134.58	153.62
Packing Material Consumed		
Opening stock	13.62	14.22
Purchases	-	-
Adjustment	-3.06	-0.60
Less: Closing stock	10.56	13.62
Total	-	-
Stores & Spares consumed		
Opening stock	22.13	23.38
Purchases	-	-
Adjustment	-2.00	-1.25
Less: Closing stock	20.13	22.13
Total	1,648.54	2,038.09

23 Purchases of stock in trade

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Purchases	1,426.07	647.06
Total	1,426.07	647.06

23.1 Purchase of major Products

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
GI/PVC/HDPE Fittings	1,426.08	647.06
Total	1,426.08	647.06

24 Change in Inventories of work in progress and finished goods

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Opening Inventories		
Finished Goods	766.46	730.96
Work-in-progress	61.67	32.43
Stock-in-trade	311.47	291.89
Goods-in-transit	65.30	-
Less: Closing Inventories		
Finished Goods	1,050.93	766.46
Work-in-progress	47.09	61.67
Stock-in-trade	287.92	311.47
Goods-in-transit	59.55	65.30
Total	-240.58	-149.62

25 Employee benefit expenses

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Salaries and wages	366.22	522.95
Contribution to provident and other funds	18.36	13.63
Staff welfare expenses	18.90	20.65
Total	403.48	557.23

Defined Benefit Plan
Changes in the present value of the defined benefit obligation

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Gratuity		Leave Encashment	
Defined Benefit Obligation at beginning of the year	27.49	47.75	6.17	14.76
Current Service Cost	3.14	6.32	1.46	6.97
Interest Cost	1.77	3.05	0.38	0.91
Actuarial (Gain) / Loss	-0.30	-26.65	1.63	-9.48
Benefits Paid	-11.22	-2.98	-6.71	-7.00
Defined Benefit Obligation at year end	20.88	27.49	2.93	6.17

Reconciliation of present value of defined benefit obligation and fair value of assets

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Gratuity		Leave Encashment	
Present value obligation as at the end of the year	20.88	27.49	2.93	6.17
Fair value of plan assets as at the end of the year	-	-	-	-
Funded status/(deficit) or Unfunded net liability	-	-	-	-
Unfunded net liability recognized in balance sheet	20.88	27.49	2.93	6.17
Amount classified as:				
Short term provision	6.09	9.05	0.90	1.89
Long term provision	14.78	18.44	2.04	4.28

Expenses recognized in Profit and Loss Account

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Gratuity		Leave Encashment	
Current service cost	3.14	6.32	1.46	6.97
Interest cost	1.77	3.05	0.38	0.91
Net actuarial loss/(gain) recognized during the year	-0.30	-26.65	1.63	-9.48
Total expense recognised in Profit and Loss	4.61	-17.28	3.47	-1.59

Actuarial assumptions

Particulars	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	Gratuity		Leave Encashment	
Discount Rate	7.15%	7.30%	7.15%	7.30%
Expected Rate of increase in Compensation Level	8.00%	8.00%	8.00%	8.00%
Expected Rate of return on Plan assets	NA	NA	NA	NA
Mortality Rate	0.38%	0.38%	0.38%	0.38%
Retirement Rate	6000.00%	6000.00%	6000.00%	6000.00%
Average Attained Age	34.95	34.3	34.95	34.3
Withdrawal Rate	30.00%	30.00%	30.00%	30.00%

General Description of the Plan

The Entity has unfunded gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Entity's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972.

26 Finance costs

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Interest expense	139.65	124.55
Other borrowing costs		
-Bank Charges	31.45	24.67
-Stamp Duty	21.13	-
Total	192.23	149.22

27 Depreciation and amortization expenses

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Amortization	24.33	7.28
Depreciation	48.15	45.30
Total	72.48	52.58

28 Other expenses

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Auditors' Remuneration	0.51	6.30
Consumption of stores and spare parts	16.80	22.99
Insurance	1.49	5.09
Power and fuel	125.50	113.91
Rent		
-Rent on Machinery	6.80	2.20
-Others	36.05	48.18
Repairs to machinery	4.73	5.22
Repairs others	1.99	2.91
Rates and taxes	4.90	11.29
Other Business Administrative Expenses	0.04	-
Telephone expenses	0.60	-
Travelling Expenses	73.14	-
Miscellaneous expenses	32.71	96.25
Other Expenses		
-Net Gain on foreign currency transactions and translation	0.11	-
Brokerage and Commission	17.26	44.12
Cash Discount	3.50	0.12
Computer Expenses	3.92	-
Freight & forwarding Charges	183.99	181.64
Gardening Expenses	9.30	-
House Keeping Expenses	8.71	-
Inspection Charges	8.13	-
Job & Labour Charges	20.29	28.87
Legal & professional Charges	27.09	44.91
Packing Material Consumed	24.66	33.35
Printing & Stationery	1.81	-
Property Tax	1.93	-
Sales promotion Expenses	26.62	58.87
Security Charges	6.56	-
Travelling & conveyance	3.32	126.68
Total	652.46	832.90

29 Prior Period Item

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Excess provision of Leave encashment	-	-2.30
Short provision of Gratuity	-	29.03
Total	-	26.73

30 Tax Expenses

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Current Tax	83.53	63.42
Deferred Tax	11.15	87.72
Excess/Short Provision Written back/off	-	0.37
Total	94.68	151.51

Significant components of Deferred Tax charged during the year

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Expenses provided but allowable in Income tax on Payment basis	9.04	-14.30
Difference between book depreciation and tax depreciation	2.10	102.02
Total	11.15	87.72

31 Earning per share

Particulars	March 31, 2024	March 31, 2023
Profit attributable to equity shareholders (Rs in lakhs)	207.17	86.79
Weighted average number of Equity Shares	10,079,074	9,888,114
Earnings per share basic (Rs)	2.06	0.88
Earnings per share diluted (Rs)	2.06	0.88
Face value per equity share (Rs)	10	10

32 Micro and Small Enterprise

On the basis of confirmation obtained from the supplier who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the company, the following are the details:

33 Leases

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Future minimum rental payables under non-cancellable operating lease		
- Not later than one year	36.05	48.18

The Company has taken various residential/commercial premises under cancellable operating leases. These lease agreements are normally renewed on expiry.

The rental expenses recognized in Profit and Loss account for operating lease.

34 Value of Import on CIF basis

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Raw Materials	-	146.18
Components and Spare Parts	1.97	2.48
Total	1.97	148.66

Value of imported and indigenous raw materials, spare parts and components consumed

35

(Rs in lakhs)

Particulars	March 31, 2024	March 31, 2023
Raw Materials		
- Imported	-	146.18
- Indigenous	1,643.51	1,892.85
Spare parts and components		
- Imported	1.97	2.48
- Indigenous	10.76	20.01
Total	1,656.23	2,061.53

36 Related Party Disclosure

(i) List of Related Parties	Relationship
Arun Goel (up to 25.09.2020)	KMP
Kusum Goel (up to 23.08.2018)	KMP
Madhav Goel (up to 25.09.2020)	KMP
Saurabh Arun Goel (up to 25.09.2020)	KMP

Dilipkumar Shambhubhai Dholaria (up to 06.09.2022)	ED
Prafulbhai Dhamjibhai Radadia (w.e.f. 04.07.2022)	WTD
Bharatkumar Tulsibhai Patel (w.e.f. 16.01.2023)	CEO & MD
India Net (up to 25.09.2020)	KMP having significant influence
Santosh Agritech Services	KMP having significant influence
Daman Plastics (up to 25.09.2020)	KMP having significant influence
Silvassa Plastics (up to 25.09.2020)	KMP having significant influence
Polysil Pipes (up to 25.09.2020)	KMP having significant influence
Resin Distributors Limited (up to 25.09.2020)	KMP having significant influence
Tufropes Private limited (up to 25.09.2020)	KMP having significant influence
Polyresin Agencies (I) Limited (up to 25.09.2020)	KMP having significant influence
Aden Pharmaceuticals Private Limited	ED having significant influence
Poly Plast Agencies (I) Private Limited (up to 25.09.2020)	KMP having significant influence
Anilkumar Radheshyam Singh (w.e.f. 10/11/2022)	NED
Bipinkumar Hirpara (w.e.f. 16/01/2023)	ID
Mona Patel (w.e.f. 13/02/2023)	ID
Neha Gupta (w.e.f. 01/02/2023)	Compliance Officer (CS)
Aman Malpani (w.e.f. 01/02/2023)	CFO
Vima Engineering Pvt Ltd	NED having significant influence
Vima Alliance Infra Pvt Ltd	NED having significant influence
Associated Power Structures Pvt Ltd (upto 29.02.2020)	NED having significant influence
Polysil Drip Irrigation LLP	CEO&MD's having significant influence
Parthsarathi Academy Pvt Ltd	ID having significant influence
Bhalala Kanani & Co	ID having significant influence
Hirpara & Co	ID having significant influence
Smart Trading Services	CEO&MD's relative having significant influence

(ii) Related Party Transactions		(Rs in lakhs)	
Particulars	Relationship	March 31, 2024	March 31, 2023
Purchases	CEO&MD's relative having significant influence		
- Smart Trading Services		5.77	3.38
Loan Taken			
- Bharatkumar Tulsibhai Patel (w.e.f. 16.01.2023)	CEO & MD	265.69	208.51
Loan Repaid			
- Bharatkumar Tulsibhai Patel (w.e.f. 16.01.2023)	CEO & MD	139.35	89.05
Rent	CEO&MD's relative having significant influence		
- Smart Trading Services		12.96	14.04
Directors' Remuneration			
- Bharatkumar Tulsibhai Patel (w.e.f. 16.01.2023)	CEO & MD	42.02	42.02
- Prafulbhai Dhamjibhai Radadia (w.e.f. 04.07.2022)	WTD	12.98	12.98
Salary			
- Aman Malpani (w.e.f. 01/02/2023)	CFO	6.50	8.09
- Neha Gupta (w.e.f. 01/02/2023)	Compliance Officer (CS)	2.54	0.63
Travelling Expenses and TADA			
- Prafulbhai Dhamjibhai Radadia (w.e.f. 04.07.2022)	WTD	3.10	12.00

POLYSIL IRRIGATION SYSTEMS LIMITED

(iii) Related Party Balances		(Rs in lakhs)	
Particulars	Relationship	March 31, 2024	March 31, 2023
Other Long term liabilities			
- Tufropes Private limited (up to 25.09.2020)	KMP having significant influence	93.86	93.86
Trade Receivables			
- Santosh Agritech Services	KMP having significant influence	0.92	0.92
- Aden Pharmaceuticals Private Limited	ED having significant influence	0.13	0.13
Short term borrowings			
- Bharkumar Tulsibhai Patel (w.e.f. 16.01.2023)	CEO & MD	262.80	136.46
Short term loans and advances			
- Smart Trading Services	CEO&MD's relative having significant influence	3.14	10.03
Other current liabilities			
- Prafulbhai Dhamjibhai Radadia (w.e.f. 04.07.2022)	WTD	2.18	5.54
Salary Payable			
- Bharkumar Tulsibhai Patel (w.e.f. 16.01.2023)	CEO & MD	3.05	3.50
- Prafulbhai Dhamjibhai Radadia (w.e.f. 04.07.2022)	WTD	9.62	1.08
- Aman Malpani (w.e.f. 01/02/2023)	CFO	-	0.67
- Neha Gupta (w.e.f. 01/02/2023)	Compliance Officer (CS)	0.42	0.21

37 Turnover from manufacturing and trading activities		(Rs in lakhs)	
Particulars	March 31, 2024	March 31, 2023	
Manufacturing			
- HDPE/LLDPE/PVC Pipe	1,423.02	943.81	
- HDPE Sprinkler Systems	669.65	336.15	
- Drip Irrigation Systems	1,969.87	2,709.66	
Trading			
- HDPE/LLDPE/PVC Pipe	178.57	189.04	
- HDPE Sprinkler Systems	116.02	144.07	
- Drip Irrigation Systems	89.29	90.38	
Total	4,446.42	4,413.11	

38 Security of Current Assets Against Borrowings

The company has filed monthly returns or statements of current assets with Banks for borrowing facility against the security of the current assets from banks.

Reconciliation between Current Assets as per Quarterly statement filed with Bank and Current Asset as per Books of Account
(Rs in lakhs)

Particulars	Jun, 2023	Sept, 2023	Dec, 2023	Mar, 2024
Current Assets as per Quarterly Return filed with Bank	2,531.23	823.60	2,987.59	5,148.42
Add:				
Difference	-100.46	509.39	224.77	-661.78
Current Assets as per Books of Account	2,430.77	1,332.99	3,212.36	4,486.64

The Company submits monthly statements to bank for purpose of working capital facility, however reporting table restricts only quarterly figures, hence figures for quarter end months have been disclosed.

39 Details of Benami Property held

The company does not have any Benami property, where any proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

40 Registration of Charge

The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

41 Ratio Analysis

Particulars	Numerator/Denominator	March 31, 2024	March 31, 2023	Change in %
(a) Current Ratio	Current Assets	1.42	1.31	8.04%
	Current Liabilities			
(b) Debt-Equity Ratio	Total Debts	0.67	1.01	-33.60%
	Shareholder's Equity			
(c) Return on Equity Ratio	Profit after Tax	10.28%	5.92%	73.70%
	Average Shareholder's Equity			
(d) Inventory turnover ratio	Total Turnover	2.96	3.37	-12.13%
	Average Inventories			
(e) Trade receivables turnover ratio	Total Turnover	1.18	1.76	-33.25%
	Average Trade Receivable			
(f) Trade payables turnover ratio	Total Purchases	1.69	2.42	-30.02%
	Average Trade Payable			
(g) Net capital turnover ratio	Total Turnover	2.17	4.02	-46.03%
	Closing Working Capital			
(h) Net profit ratio	Net Profit	4.66%	1.98%	135.53%
	Total Turnover			
(i) Return on Capital employed	Earning before interest and taxes	11.61%	12.26%	-5.31%
	Capital Employed			

42 Revaluation of PPE and Intangible assets

The company has not revalued its Property, Plant and Equipment and Intangible assets during the reporting periods. The disclose as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 is not applicable.

43 Subsequent Events

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed. Hence, there were no events occurred after the balance sheet date.

44 Regrouping

Comparative previous year's figures have been regrouped and reclassified to the extent possible, wherever necessary to confirm to current year's classification and presentation.

45 Segment Reporting

The Company is engaged in one segment only i.e. High Density Polyethylene Pipe (HDPE)/Linear Low Density Polyethylene Pipe (LLDPE)/Low Density Polyethylene Pipe (LDPE) and Micro irrigation Systems and hence there are no separate reportable segment.

46 Statutory Dues

The Company has deducted PTRC on salary paid to employees since November 2019. The Company is making efforts to ensure that the compliance is regularised.

NOTICE OF 39TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirty Ninth (39th) Annual General Meeting (AGM) of the Members of Polysil Irrigation Systems Limited will be held on Monday, September 30, 2024 at 02:00 P.M. at the registered office of the Company at Survey No- 340/1, Beside Hystuff Steel, At Post Raniya, Taluka Savli, District Vadodara – 391 780, Gujarat, India to transact the following businesses:

ORDINARY BUSINESSES:

- To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon; and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as **Ordinary Resolutions**.

“RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”

- To appoint a Director in place of Mr. Prafulbhai Damjibhai Radadia (DIN 09660425), who retires by rotation and being eligible, seeks re-appointment.

Explanation: Based on the terms of appointment, executive and non-executive directors are subject to retirement by rotation. Mr. Prafulbhai Damjibhai Radadia (DIN 09660425), who was appointed as Whole-time Director, and is the longest-serving member on the Board, retires by rotation and, being eligible, seeks re-appointment.

To the extent that Mr. Prafulbhai Damjibhai Radadia (DIN 09660425) is required to retire by rotation, he would need to be reappointed as such. Therefore, shareholders are requested to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the members of the Company be and is hereby accorded for the reappointment of Mr. Prafulbhai Damjibhai Radadia (DIN 09660425) as such, to the extent that he is required to retire by rotation.”

Registered office:

Survey No- 340/1, Beside Hystuff Steel, At
Post Raniya, Taluka Savli, District
Vadodara, Raniya Taluka Savli, Gujarat-
391780, India.

By order of the Board of Directors
For, **Polysil Irrigation Systems Limited**
CIN: U17100GJ1985PLC127398

Date: September 07, 2024
Place: Vadodara

Bharat Patel
CEO & Managing Director
DIN: 07780251

Important Notes:

- The Government of India, Ministry of Corporate Affairs has allowed conducting the General Meeting (“Meeting”) through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”), and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued the General Circular No. 14/2020 dated April 8, 2020, the General Circular No. 17/2020 dated April 13, 2020 and the General Circular No. 11/2022 dated December 28, 2022 prescribing the procedures and manner of conducting the Annual General Meeting through VC/ OAVM. In terms of the said circulars, the Annual General Meeting (AGM) of the members will be held through VC/OAVM. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 18 and available at the Company’s website <https://polysilirrigation.com/>. The deemed venue for the AGM shall be the Registered Office of the Company.
- The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the businesses are not annexed as there is no special businesses to consider in the AGM.
- The relevant details, pursuant to Regulations 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard II on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment at this Annual General Meeting (“AGM”) is annexed hereto.
- Though, pursuant to the provisions of the Act, a Member is entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf, since this AGM is being held pursuant to the Circular No. 14/2020 dated April 8, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to cshardik241@gmail.com with copies marked to the Company at secretarial@polysilirrigation.com and to National Securities Depository Limited (NSDL) at evoting@nsdl.co.in.
- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- Since, all the equity shares of the Company are held in the Demat form, the Register of Members and Share Transfer Books of the Company will not be closed and the Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Monday, September 23, 2024, will be entitled to vote at the AGM.
- Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.

9. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars and SEBI Circular dated May 12, 2020 read with Circular dated January 15, 2021, the Notice of AGM along with Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice of AGM along with Annual Report 2023-24 has been uploaded on the website of the Company at <https://polysilirrigation.com/>. The Notice of AGM along with Annual Report 2023-24 can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com and the AGM Notice is also available on the website of NSDL i.e. www.evoting.nsdl.com.
10. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
11. In case of joint holders attending the AGM together, only holder whose name appearing first will be entitled to vote.
12. Members seeking any information with regard to the accounts or any matter to be placed at the AGM or who would like to ask questions or registered themselves as Speaker, are requested to write to the Company mentioning their name demat account number/folio number, email id, mobile number at secretarial@polysilirrigation.com on or before September 22, 2024 so as to enable the management to keep the information ready. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
13. Those shareholders who have not yet registered their e-mail address are requested to get their e-mail addresses submitted, by following the procedure given below;
- In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to secretarial@polysilirrigation.com.
 - In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to secretarial@polysilirrigation.com.
 - Alternatively, member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (a) or (b) as the case may be.
14. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to BSPL in case the shares are held in physical form.
15. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long period of time. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
16. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars and SEBI Circular dated May 12, 2020 read with Circular dated January 15, 2021, the Notice of AGM along with Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice and Annual Report 2023-24 has been uploaded on the website of the Company at <https://polysilirrigation.com/>. The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com and the AGM Notice is also available on the website of NSDL i.e. www.evoting.nsdl.com. The Company proposes to send documents, such as the Notice of the AGM and Annual Report etc. henceforth to the Members in electronic form at the e-mail address provided by them and made available to the Company by the Depositories from time to time. The un-audited half-yearly Financial Results of the Company are uploaded on the website of the Company.
- 17. PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS AND PARTICIPATING AT THE ANNUAL GENERAL MEETING THROUGH VC/OAVM:**
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 8, 2020, April 13, 2020, May 5, 2020 and SEBI Circular dated May 12, 2020, the Company is providing facility of remote e-voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL, as the Authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by NSDL.
 - Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Monday, September 23, 2024, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Monday, September 23, 2024, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.
 - Members may cast their votes on electronic voting system from any place (remote e-voting). The remote e-voting period will commence at 09:00 a.m. on Friday, September 27, 2024 and will end on 05:00 P.M. on Sunday, September 29, 2024. In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting.
 - Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
 - The voting rights of the members shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date i.e. Monday, September 23, 2024.
 - The Company has appointed M/s Hardik Jetani & Associates, Practicing Company Secretary (Membership No. ACS: 39498; CP No: 22171), to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

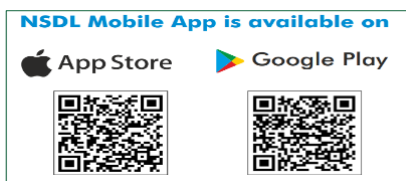
INSTRUCTIONS FOR CASTING VOTES BY REMOTE E-VOTING

Step 1: Access to NSDL e-voting system:

Login method for e-Voting for Individual shareholders holding securities in demat mode

POLYSIL IRRIGATION SYSTEMS LIMITED

Login method for Individual shareholders holding securities in demat mode is given below: In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>A. Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDEAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDEAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>B. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>C. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <div data-bbox="758 931 1165 1111" style="text-align: center;"> <p>NSDL Mobile App is available on</p>  </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>A. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.</p> <p>B. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>C. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>D. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period

A) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nSDL.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

D. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

E. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

F. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nSDL.com.
- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nSDL.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nSDL.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

G. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

H. Now, you will have to click on "Login" button.

I. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system:

How to cast your vote electronically on NSDL e-Voting system?

- 1) After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle.
- 2) Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
- 3) Now you are ready for e-Voting as the Voting page opens.
- 4) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- 5) Upon confirmation, the message "Vote cast successfully" will be displayed.
- 6) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- 7) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR SHAREHOLDERS

POLYSIL IRRIGATION SYSTEMS LIMITED

Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pnvekariya12@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsd.com to reset the password.

In case of any query relating to remote e-voting you may refer the FAQs for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsd.com or call on toll free no. 1800 1020 990 and 1800 224 430 or send a request at evoting@nsdl.co.in.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

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

- 1) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- 2) Members are encouraged to join the Meeting through Laptops for better experience.
- 3) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 4) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- 5) Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at secretarial@polysilirrigation.com. The same will be replied by the company suitably.

CONTACT DETAILS

Company	POLYSIL IRRIGATION SYSTEMS LIMITED Survey No- 340/1, Beside Hystuff Steel At Post Raniya, , Taluka Savli, District, Vadodara, Vadodara, Raniya Taluka Savli, Gujarat, India, 391780 Mob No.: +91 83203 12494; Web: www.polysilirrigation.com; Email: secretarial@polysilirrigation.com
Registrar and Transfer Agent	BIGSHARE SERVICES PRIVATE LIMITED A-802, Samudra Complex, Near Klassic Gold Hotel, Off C.G Road, Navrangpura, Ahmedabad – 380 009 Tel No.: +91-79-4002 4135; Email: bssahd@bigshareonline.com; Web: www.bigshareonline.com
E-Voting Agency & VC / OAVM	Email: evoting@nsdl.co.in NSDL help desk 1800 1020 990 and 1800 22 44 30
Scrutinizer	M/s Hardik Jetani & Associates Email: cshardik241@gmail.com; Tel No.: +91 94082 30805

DISCLOSURE UNDER SECRETARIAL STANDARDS-II ISSUED BY ICSI FOR ITEM NO. 2:

Name	Mr. Prafulbhai Damjibhai Radadia
Date of Birth	June 17, 1975
Qualification	B. Tech. in Agricultural Engineering from Gujarat Agricultural University
Experience - Expertise in specific functional areas - Job profile and suitability	Prafulbhai Radadia is a Whole-Time Director of our Company. He has joined Polysil as Manager in 2012. He has been promoted to General Manager in 2017. He has been associated with our Company for more than 10 years. He holds a degree of B. Tech. in agricultural engineering from Gujarat Agricultural University. He has around 10 years of experience in the field of micro irrigation sector. He has working exposure since 1998 in the field of production, tendering process, technical excellence, project work, identifying and exploring new areas in other states. He has an exposure of bigger size product designing and is involved in innovation of products.
No. of Shares held as on March 31, 2024	477750
Terms & Conditions	No change in the existing terms and conditions of his appointment
Remuneration Last Drawn	12.98 lakhs
Remuneration sought to be paid	As per terms and conditions approved by the Shareholders vide their meeting held on January 23, 2023
Number of Board Meetings attended during the Financial Year 2023-24	31
Date of Original Appointment	July 4, 2022
Date of Appointment in current terms	January 16, 2023
Directorships held in public companies including deemed public companies	Nil
Memberships / Chairmanships of committees of public companies*	Nil
Inter-se Relationship with other Directors.	Nil

* Includes only Audit Committee and Stakeholders' Grievances and Relationship Committee.

Registered office:

Survey No- 340/1, Beside Hystuff Steel, At Post Raniya, Taluka Savli, District Vadodara, Raniya Taluka Savli, Gujarat- 391780, India.

By order of the Board of Directors
For, **Polysil Irrigation Systems Limited**
CIN: U17100GJ1985PLC127398

Date: September 07, 2024
Place: Vadodara

Bharat Patel
CEO & Managing Director
DIN: 07780251



POLYSIL
SHAPING WATER

POLYSIL IRRIGATION SYSTEMS LIMITED

**Survey No-340/1,
At-Post-Raniya,
Sakarda-Bhadrava Road,
Ta-Savli, Dist-Vadodara
391780-Gujarat.**

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