IP Rings
Amalgamations Group
Innovate Excel

32
ANNUAL REPORT
2022-23

FINANCIAL HIGHLIGHTS

10 YEARS PERFOMANCE AT GLANCE

₹. In Lakhs

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Sales	9,488.36	11,261.54	13,168.84	19,135.38	20,669.52	21,209.27	19,793.21	19,846.21	27,271.29	32,329.56
PBDIT	**976.91**	**1,330.47**	**1,572.38**	**1,541.03**	**2,533.38**	**2,862.79**	**2,222.91**	**2,551.70**	**3,541.50**	**2,920.39**
Profit after Tax	-275.56	-48.55	21.35	-144.74	733.34	794.69	110.11	496.81	821.48	173.6
Dividend Paid	-	-	-	-	-	126.76	-	190.14	190.14	253.52
Dividend %	-	-	-	-	-	10	-	15	20	10
Share Capital	704.21	704.21	704.21	1,267.59	1,267.59	1,267.59	1,267.59	1,267.59	1,267.59	1,267.59
Reserves & Surplus	3,426.26	3,345.92	3,316.65	7,385.62	8,107.64	8,894.80	8,837.49	9271.71	9,917.80	9831.01
Net worth	**4,130.47**	**4,050.13**	**4,020.86**	**8,653.21**	**9,375.23**	**10,162.39**	**10,105.08**	**10,539.30**	**11,185.39**	**11,098.60**
Gross Fixed Assets	13,886.99	14,637.98	16,526.58	9,947.25	11,744.79	15,010.29	16,213.09	19,910.40	22,293.25	23,767.73
EPS	-3.91	-0.69	0.24	-1.64	5.79	6.27	0.87	3.92	6.48	1.37
Book Value/ Share	58.65	57.51	57.1	68.27	73.96	80.17	79.72	83.14	88.24	87.56
Debt Equity (Long term Debt)	0.7	0.81	0.58	0.35	0.39	0.44	0.43	0.5	0.64	0.59

BOARD OF DIRECTORS	
Mr. A VENKATARAMANI	Managing Director
Mr. M GOVINDARAJAN	Whole Time Director (Up to 26.05.2023)
Mr. RYOSUKE HASUMI	Non-Executive Director
Dr. SANDHYA SHEKHAR	Independent Director
Mr. VIKRAM VIJAYARAGHAVAN	Independent Director
Mr. NAVIN PAUL	Independent Director

AUDIT COMMITTEE	
Mr. VIKRAM VIJYARAGHAVAN	Chairman
Dr. SANDHYA SHEKHAR	Member
Mr. NAVIN PAUL	Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE	
Mr. VIKRAM VIJYARAGHAVAN	Chairman
Dr. SANDHYA SHEKHAR	Member
Mr. A VENKATARAMANI	Member

NOMINATION AND REMUNERATION COMMITTEE	
Mr. NAVIN PAUL	Chairman
Dr. SANDHYA SHEKHAR	Member
Mr. VIKRAM VIJAYARAGHAVAN	Member

CORPORATE SOCIAL RESPONISBILITY COMMITTEE	
Dr. SANDHYA SHEKHAR	Chairman
Mr. NAVIN PAUL	Member
Mr. A VENKATARAMANI	Member

KEY MANGERIAL PERSONNEL	
Mr. R VENKATARAMAN	Chief Financial Officer
Mr. V ANANTHA SUBRAMANIAN	Company Secretary (up to 05.10.2022)
Mr. K. PREMNATHA	Company Secretary (from 14.11.2022 To 22.06.2023)

AUDITORS	COST AUDITORS
M.S. Krishnaswami & Rajan GB, Anand Apartments, JP Avenue Dr Radhakrishnan Road, 6th Street, Mylapore, Chennai 600 004 044-42046628	M/s. A N Raman & Associates No.1, Muthukumara Swamy Salai Baby Nagar, Velachery, Chennai 600 042 044-32906831

SECRETARIAL AUDITOR	LEGAL ADVISORS
Mr. R Mukundan [CS in Practice] 215, Velachery Main Road, Chennai – 600 042 Mobile: +91 98409 70898	S Ramasubramaniam & Associates 75/39,Century Center. 1st Floor, TTK Road, Alwarpet Chennai 600 018 044-24990069

BANKERS	SHARES LISTED WITH
Standard Chartered Bank HDFC Bank Limited Central Bank of India AXIS Bank	Bombay Stock Exchange Mumbai **COMPANY WEBSITE** https://iprings.com/

REGISTERED OFFICE	SHARE TRANSFER AGENTS
D 11/12, Industrial Estate Maraimalai Nagar, Chengalpattu Dist. Tamil Nadu – 603 209 Tel: (044) 2745 2816 / 2745 2929 E-mail: iprmmn@iprings.com / investor@iprings.com	Cameo Corporate Services Limited No 1, Club House Road, Tel: (044) 2556 5121 Fax (044) 2556 5131 E-mail: investor@cameoindia.com

TABLE OF CONTENTS

NOTICE TO THE SHARE-HOLDERS OF THE 32nd ANNUAL GENERAL MEETING

NOTICE is hereby given that the **THIRTY SECOND ANNUAL GENERAL MEETING** of the Members of **IP Rings Ltd** will be held on Saturday, the 12th August 2023 at 11.30 A.M [Indian Standard Time (IST)] through Video Conferencing/ Other Audio Visual Means to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement (including consolidated financial statements) of the company for the year ended 31st March 2023 together with the reports of the directors and independent auditors and to pass the following Resolution as on **Ordinary Resolution**.

   "**RESOLVED THAT** the audited financial statements (including consolidated financial statements) including Statement of Profit and Loss for the year ended on 31st March 2023, the Balance Sheet as on that date, the annexures thereto, the Cash Flow Statement for the year ended on 31st March 2023, the Reports of Independent Auditors and Directors thereon be and are hereby received and adopted**."**

2. To declare a dividend for the year ended March 31, 2023 and to consider and if thought fit to pass with or without modification(s) the following Resolution as an **Ordinary Resolution**.

   "**RESOLVED THAT** a dividend of Rs. 1.00/- per equity share of the face value of Rs. 10/- each on the paid up Equity Share Capital of the company as recommended by the Board of Directors be and is hereby declared for the Financial year 2022-23."

3. To appoint a director in place of Mr. Ryosuke Hasumi (DIN: 09368134) who retires by rotation and being eligible, offers himself for re-appointment and to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** Mr. Ryosuke Hasumi (DIN: 09368134), who retires by rotation and being eligible, offers himself for appointment be and is hereby re-appointed as a Director of the Company."

SPECIAL BUSINESS:

4. Change in designation of Mr. M Govindarajan (DIN: 09264840) from Whole Time Director to Non-Executive Director.

   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 160 of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and rules & regulations made there under, and on request of Mr. M Govindarajan and pursuant to approval of Nomination and Remuneration Committee and Board of Directors of the Company, the Consent of the Members be and is hereby accorded to the change in designation of Mr. M Govindarajan from Whole Time Director to Non-Executive Director of the company, liable to retire by rotation, effective from 27 May 2023 on such terms and conditions as per Letter of Appointment given to Mr. M Govindarajan by the Company."

   "RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution including certifying and filing of necessary forms with the Registrar of Companies."

5. Ratification of Cost Auditors' Remuneration for the Financial Year 2023-24.

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

"RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) remuneration of Rs. 1,50,000/- p.a. (Rupees One Lakh Fifty Thousand only) in addition to reimbursement of all applicable taxes, travelling and out-of-pocket expenses, payable to M/s A N Raman & Associates, Practicing Cost Accountant, holding Membership No. 5359, allotted by the Institute of Cost Accountants of India, who was re-appointed as Cost Auditor of the Company for the financial year 2023-24 by the Board of Directors of the Company, as recommended by the Audit Committee be and is hereby ratified."

Chennai
May 26, 2023
Registered Office:
D 11/12, Industrial Estate
Maraimalai Nagar, 603 209
CIN: L28920TN1991PLC020232

By the Order of the Board of Directors

A.Venkataramani
Manging Director
DIN- 00277816

EXPLANATORY STATEMENT
(PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013 AND SECRETARIAL STANDARD II ON GENERAL MEETINGS)

The following Explanatory statement sets out all material facts relating to the special businesses mentioned in the accompanying Notice dated 26th May 2023 and shall be taken as forming part of the Notice.

Item No. 4

Change in Designation of Mr. M Govindarajan (DIN: 09264840) from Whole Time Director of the Company to Non-Executive Director.

Mr. M Govindarajan (DIN: 09264840) was appointed as Whole Time Director in 31st AGM held on 08th August, 2022 to hold office for 3 (Three) years. Mr. M Govindarajan have tendered his resignation from the position of Whole Time Director, with effect from 27 May 2023 due to his pre-occupation. On a request of Mr. M Govindarajan to change his designation from Whole Time Director to Non-Executive Director of the Company, Board of Directors in their meeting held on May 26, 2023, approved the change in designation of the Mr. M Govindarajan from Whole Time Director to Non-Executive Director of the Company w.e.f May 27, 2023.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member proposing the candidature of Mr. M Govindarajan for the office of Non-Executive Director of the Company.
The Company has received from Mr. M Govindarajan:-

(i) Consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014,
(ii) Intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Subsection (2) of Section 164 of the Companies Act, 2013.

The resolution seeking the approval of members for the appointment of Mr. M Govindarajan as Non-Executive Director of the Company w.e.f May 27, 2023 liable to retire by rotation, pursuant to Section 152 and 160 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder is proposed by the Board of Directors.

The Board recommends the matter and the resolution set out under Item No. 4 for the approval of the Members by way of passing Ordinary Resolutions.

Except Mr. M Govindarajan and his relatives to the extent of their shareholding in the Company, none of the Directors or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, except to their shareholding, in the aforesaid resolution.

INFORMATION PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Name of Director	Mr. M Govindarajan
DIN	09264840
Date of Birth	27th October 1962
Date of First Appointment on the Board	02nd August 2021
Qualifications	Mr. M Govindarajan is an Engineer by profession and his qualification details are B.E, M.B.A, M.S. (Technological Operations)
Brief Resume, Experience and expertise in specific functional area	Mr. M. Govindarajan is an Engineer by profession and his qualification details are B.E, M.B.A, M.S. (Technological Operations).
Terms and conditions of appointment	Terms and conditions as specified in the letter of appointment.
Directorships held in other public companies	NIL
Membership in Committees in IP Rings	NIL
No. of Equity Shares held in the Company	264
Inter-se relationship with other Directors and Key Managerial Personnel	Mr. Mr. M Govindarajan is not related to any other Director/ Key Managerial Personnel / Manager of the Company
Details of listed entities from which the person has resigned in the past three years	NIL
Remuneration sought to be paid and the remuneration last drawn	Rs. 46.25 Lakhs

Item No. 5

As recommended by the Audit Committee, the Board at its meeting held on 26th May 2023, re-appointed M/s. A N Raman & Associates, Practising Cost Accountant, having Membership No. 5359, as Cost Auditor of the Company, in terms of Section 148 of the Act, 2013, and fixed a sum of ₹1,50,000 /- as remuneration payable to him for the financial year 2023-24, subject to ratification by the Shareholders of the Company.

In terms of Section 148 (3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditor, as recommended by the Audit Committee and approved by the Board of Directors, is required to be ratified by the shareholders of the Company, at the ensuing AGM of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested financially or otherwise, in the resolution as set out in Item No.5 of this Notice.

The Directors, therefore, recommend the ordinary resolution, as set out in Item No.5 of the Notice.

NOTES

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs, Government of India ("MCA") issued General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021 , 21/2021 and 2/2022 dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 13th January, 2021, 8th December, 2021, 14th December, 2021 and 5th May, 2022 respectively, ("MCA Circulars") allowing, inter-alia, conduct of AGMs through Video Conferencing/Other Audio-Visual Means ("VC/OAVM"), in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. In compliance with these Circulars, provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 32nd AGM of the Company is being conducted through VC/OAVM facility. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the Circular No. 14/2020 dated April 08, 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. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. 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 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.iprings.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on Wednesday, 09th August 2023 at 09:00 A.M. and ends on Friday, 11th August 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 5th August 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 5th August 2023.

HOW DO I VOTE ELECTRONICALLY USING NSDL E-VOTING SYSTEM ?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

A) LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE

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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. 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 or joining virtual meeting & voting during the meeting. 2. 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

	3. 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 or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. 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. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. 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.

	4. 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.
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 or joining virtual meeting & voting during the meeting.

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 022 - 4886 7000 and 022 - 2499 7000
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

B) LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR SHAREHOLDERS OTHER THAN INDIVIDUALSHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE AND SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL MODE.

HOW TO LOG-IN TO NSDL E-VOTING WEBSITE?

1. 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.

2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.

3. 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.

4. 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***

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

   a) If you are already registered for e-Voting, then you can user 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'?

      (i) 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'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. 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.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM

How to cast your vote electronically and join General Meeting 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 and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote eVoting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

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.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:

1. 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), (self attested scanned copy of Aadhar Card) by email to (cs@iprings.com).

2. 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 (cs@iprings.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A**) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER

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

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

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

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/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" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join 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 (cs@iprings.com). The same will be replied by the company suitably.

6. Member who would like to register themselves as speaker shall send an email with the details of name, Demat Account number /Folio Number, email id, mobile number to cs@iprings.com and only e-mail request alone shall be entertained to enroll as speaker as the portal should be used only to raise question to be replied by the company.

7. As the AGM is being conducted through VC / OAVM, members desiring any information relating to the annual accounts for the year ended 31st March 2023 of the Company are requested to send an email to the Company at cs@iprings.com at least 48 hours before the meeting, mentioning their name, complete 16 digit DEMAT account number / folio number, email address and mobile number. Alternatively, the members can access our portal http://portals.iprings.com/investorQuery/ to raise their questions. Only those requests as received from the members on the aforementioned email addresses on or before 09th August 2023 at 05:00 P.M. (IST) shall be considered and responded to, prior / until the date of the AGM by way of email.

8. Members who would like to express their views or ask questions may do so by accessing the following web-link http://portals.iprings.com/investorQuery/ from Monday the 07th August 2023 to Wednesday the 09th August 2023 by providing either of their credentials such as name, DP ID and Client ID / folio number, PAN, mobile number, and email address. Members who hold shares of the Company as on 05th August 2023 being the cut-off date for this purpose and have registered themselves as a speaker will be allowed to express their views / ask questions during the AGM and they may have to allow camera access during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. The shareholders who have registered themselves as a speaker shareholder will only be allowed to express their views/ask questions during the meeting.

Chennai
May 26, 2023
Registered Office:
D 11/12, Industrial Estate
Maraimalai Nagar, 603 209
CIN: L28920TN1991PLC020232

By the Order of the Board of Directors

A.Venkataramani
Manging Director
DIN- 00277816

DIRECTORS' REPORT

Dear Members

The Directors have pleasure in presenting the Thirty Second Annual Report together with the Audited Financial Statements for the year ended March 31, 2023 and the Auditor's Report thereon.

1. COMPANY PERFORMANCE

Total Revenue of the Company including other income was ₹ 32329.56 Lakhs in the Current Year as against ₹ 27,271.49 Lakhs in the previous year. Profit before Tax (PBT) was ₹ 238.62 Lakhs as against ₹ 1,105.03 Lakhs in the previous year.

2. FINANCIAL RESULTS

PARTICULAR	(₹ in Lakhs)	
	2022-23	2021-22
Profit before Finance charges, Depreciation and Tax	2920.39	3,541.50
Finance charges	1086.98	1,002.29
Depreciation	1594.79	1,434.18
Profit / (Loss) before Tax	238.62	1,105.03
Provision for Taxation (Net)	65.02	283.55
Profit / (Loss) after Tax	173.60	821.48
Other Comprehensive Income	(6.87)	14.75
Profit/(loss) attributable to Equity Share holders	173.60	821.48

3. DIVIDEND

In view of the performance during the year under review, your Directors are pleased to recommend a dividend of Rs. 1.00/- per equity share (@ 10%) of face value of Rs.10/- each for the year ended 31st March, 2023, subject to approval of shareholders at the forthcoming Annual General Meeting of the Company.

4. RESERVES

Your Directors have not recommended any transfer to the General Reserve for the year ended 31st March 2023 and hence the General Reserve remains at Rs. 3015.27 Lakhs.

5. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of your Company for the financial year 2022-23 are prepared in compliance with applicable provisions of the Companies Act, 2013 read with the Rules issued there under, applicable accounting standards and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The consolidated financial statements of your Company take into account the financial statement prepared by the management of M/s. IPR Eminox Technologies Private Limited, a Joint Venture Company.

6. DEPOSITS FROM PUBLIC

Your Company has not accepted any deposits from public and as such, no amount on account of principal or interest are outstanding as at the balance sheet date.

7. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

DETAILS OF JOINT VENTURE:

M/s. IPR Eminox Private Limited, a Joint Venture Company with M/s. Eminox Limited, United Kingdom has achieved a turn-over of Rs. 160.80 Lakhs and earned a profit / (loss) of Rs. (15.74) Lakhs and Rs. (13.64) Lakhs before and after taxes respectively for the year 2022-23 as against a turnover of Rs. 6.06 Lakhs and a profit before and after tax of Rs. (4.87) Lakhs and Rs .(3.74) Lakhs respectively for the previous year 2021-22.

DETAILS OF SUBSIDIARIES / ASSOCIATE COMPANY:

Your Company is not having any subsidiary and hence the disclosure regarding the same will not arise.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Company's Joint Venture in Form AOC-1 is attached as **Annexure - I** to this report.

8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

THE INDIAN AUTO INDUSTRY

India is the world’s third-largest Automobile market and the year 2022-2023 saw a robust growth of vehicle sales at 22% over previous year, the vehicle sales surpassed the pre-covid sales of 2019 for the first time in 2023 and is estimated to grow to $300 billion by 2026

The Automobile industry produced a total 27.08 Mn vehicles including Passenger Vehicles, Commercial Vehicles, Three Wheelers, Two Wheelers, and Quadricycles in April 2022 to March 2023. The Indian Government has demonstrated its commitment to the industry by introducing PLI scheme and this is expected to drive the industry further

REVIEW OF BUSINESS OPERATIONS

The year 2022-2023 started on a high-note as the Chip related issues plaguing the auto industry slowly started easing leading to a good demand in both local and export market and your company achieved a sale turnover of Rs 323 cr vs Rs 272 cr last year a growth of 20%.

Profitability was under pressure primarily due to Raw material cost inflation, increasing Manpower cost and a variety of new products were efficiencies are yet to be established. The Number of new products and new customers augur well for your company in the near future.

OPPORTUNITIES AND THREATS

OPPORTUNITIES:

The Government of India has introduced CAFE 2 norms with tighter CO2 targets with BS6 stage 2 from 2023 and this will necessitate the usage of increasingly sophisticated coating technologies on Piston Rings. Your company's access to global technologies through its relationship with NPR of Japan and its locally developed innovative design solutions augur well for the future.

The new CAFE 2 norms and the BS6 stage 2 standards will also push for light-weighting as more OEM's will move towards Hybrids, EV's and this will necessitate near net shaped precision forged components to reduce the weight, noise, vibrations and improve efficiency. Your company's innovative use of the unique Orbital Cold Forming technology and Cold coining technology places it in a strong position to leverage these opportunities.

On Indian and International markets your company's fully integrated design, engineering and manufacturing capabilities are being leveraged to look at upcoming EV (Electric Vehicle) projects which are right now in the nascent stage and is expected to explode in the coming future.

THREATS:

The Russia-Ukraine conflict has added to concerns across all economies and could affect the auto sales both locally and internationally.US economy is close to recession with low growth & high inflation and many of our products go to the US market this remains a cause of concern and finally the interest rates are at all-time high to curb inflation and this could reflect in a dip in auto sales

SEGMENTWISE /PRODUCT WISE PERFROMANCE

Your company operates in a single segment that is automotive, but the company has 4 products namely Piston Rings, Forgings, Crank Pin and Tooling. On the performance, Forgings contribute to 67 % of the sale followed by Piston rings 22 %, Crank pin 7 % and finally tooling with 1.5 %. The Forgings sales includes both local and export sales. All the products are supplied either to the OEM directly or to Tier-1 who in turn supply to the OEM. Your company supplies to all types of vehicles ranging from two wheelers to Medium and Heavy commercial vehicles and to a Niche and high end vehicles.

OUTLOOK:

The outlook for the next year is positive and your company expects to grow in line with the market. Your company is constantly working on new products to grow its topline and is well poised to grow in the upcoming year with business won with top OEM in India for their upcoming vehicle and with new products in the export market. On the cost and efficiency front your company continues to launch new products and work on many continuous improvement projects to improve its cost competitiveness.

RISK AND CONCERNS:

Our risk management procedures consider both external and internal threats to devise effective mitigation strategies. Risk identification, analysis, mitigation and monitoring are undertaken periodically by the Management.

The key risk on the sales front are the ongoing geo-political tension, Recession in the U.S.A and raw material price movement. Your company is actively working on entering new markets and diversifying its business to mitigate the risk. On raw material prices, your company is actively working with its suppliers and customers to reduce the impact.

INTERNAL FINANCIAL CONTROL SYSTEM:

Your company has a strong and well-ingrained internal controls framework. The internal audit plan is developed in consultation with the operating management / Statutory Auditors with focus on critical risks that matter and is aligned to the business objectives of the Company. The Audit Committee meets every quarter and reviews the key internal / statutory audit findings and the management actions emanating from internal audit reviews. The Audit and Assurance function reassures the Board about the adequacy and efficacy of internal controls the risks involved and helps in anticipating/mitigating emerging and evolving risks.

FINANCIAL PERFORMANCE

PARTICULARS	FY 22-23	FY 21-22
REVENUE FROM OPERATIONS	**32329.56**	27271.49
EBITDA (BEFORE EXCEPTIONAL ITEMS)	**2920.39**	3541.50
PROFIT/(LOSS) AFTER TAX	**173.60**	821.48
CASH PROFIT	**1768.39**	2255.66
EARNINGS PER SHARE	**1.37**	6.48
CASH EPS	**13.95**	17.79
NET WORTH	**11098.60**	11185.39
CAPITAL EMPLOYED	**20690.98**	21990.56
FIXED ASSETS (INCLUDING CAPITAL WORK IN PROGRESS (CWIP)	**15580.39**	15866.33

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Our Company continues to focus on the development of its human resources to improve its performance. As on 31st Mar2023, the company currently has approximately 1400 employees including contract labour. IP Rings strives to provide a conducive work environment that empowers people to excel. The human resource team implemented several programmes such as Training, learning and development, employee engagement, performance management and talent retention. The Company prioritises safety, health and overall wellbeing of all employees including the contract workforce.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS

PARTICULARS	FY 22-23	FY 21-22	CHANGE (%)	SIGNIFICANCE
INVENTORY TURNOVER RATIO	5.74	5.45	5.4	Not Significant
CURRENT RATIO	0.99	1.05	-5.3	Not Significant
DEBT EQUITY RATIO	0.91	1.01	-9.9	The ratio has decreased due to increased borrowings including new lease agreement entered during the period.
RETURN ON INVESTMENT	0.01	0.00	13.3	
DEBT SERVICE COVERAGE RATIO	0.82	1.35	-38.9	The ratio has decreased due to lower profit during the period.
RETURN ON EQUITY RATIO	0.02	0.08	-80.4	The ratio has decreased due to lower profit during the period.
NET CAPITAL TURNOVER RATIO	(217.74)	46.08	-572.5	The ratio has decreased due to negative working capital.
NET PROFIT RATIO	0.01	0.03	-82.2	The ratio has decreased due to drop in contribution.
RETURN ON CAPITAL EMPLOYED	0.06	0.09	-34.9	The ratio has decreased due to lower profit during the period.
TRADE RECEIVABLE TURNOVER RATIO	4.52	4.41	2.7	Not Significant

9. FINANCIAL PERFORMANCE

Your Company has achieved a turnover for the year 2022-23 of 323.29 Crores which was higher than the previous year turnover of Rs. 272.71 Crores and ended the same with a Profit after Tax of Rs. 173.60 lakhs while compared to Profit after tax of Rs. 821.48 recorded in the previous year.

10. HUMAN RESOURCE

Health, Safety, Security and environment is a core value of your Company. The health, safety and security of everyone who works for your Company, is critical to the success of its business. Employee training is continuing to receive top priority in the Management's efforts. Systematic training is given at all levels to improve the knowledge and skill level of all employees.

11. INDUSTRIAL RELATIONS

Industrial relations during the year were cordial during the financial year.

12. 10 YEAR RECORD

A chart showing 10 years' performance is appended forming part of this Report under the heading "Financial highlights".

13. DIRECTORS & KEY MANAGERIAL PERSONNEL

Shareholders at the 31st Annual General Meeting held on August 08, 2022 re-appointed Mr. A. Venkataramani as Managing Director for a period of 3 years from July 01, 2022 to June 30, 2025.

Shareholders at the 31st Annual General Meeting held on August 08, 2022 reappointed Mr. M. Govindarajan as a Whole Time Director of the Company for a period of 3 years from August 02, 2021 to August 01, 2024. Due to preoccupation, he resigned as Whole Time Director with effect from May 27,2023 and continues as Non-Executive Director liable to retire by rotation for which approval of shareholders are sought in this Annual General Meeting.

Shareholders at the 31st Annual General Meeting held on August 08, 2022 appointed Mr. Ryosuke Hasumi as a Non-Executive Director liable to retire by rotation.

No changes in Directors during the period under review.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

Key Managerial Personnel:

As on March 31, 2023, Mr. A. Venkataramani, Managing Director, Mr. M. Govindarajan, Whole Time Director, Mr. Venkataraman, CFO, Mr. V Anantha Subramanian, Company Secretary (upto 05.10.2022) and Mr. K Premnatha Company Secretary (w.e.f. 14.11.2022 Upto 22.06.2023) are the Key Managerial Personnel (KMP) of the Company.

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There are no contracts/arrangements/transactions which are not at arm's length basis and there are no material

contracts/arrangements/transactions which are at arm's length basis. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement in Form AOC-2 is attached as **Annexure - II** to this report.

15. AUDITORS AND AUDITORS' REPORT

STATUTORY AUDITORS

In terms of Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, Members of the Company in 31st Annual General Meeting held on 08th August, 2022 approved the reappointment of M/s Krishnaswamy & Rajan, Chartered Accountants (Firm Regn. No.: 01554S) as the Statutory Auditors of the Company for second term of 5 years i.e. from the conclusion of 31st Annual General Meeting till the conclusion of 36th Annual General Meeting of the Company. The Statutory Auditors have confirmed they are not disqualified from continuing as Auditors of the Company

There are no qualifications, reservations or adverse remarks or disclaimers made in their audit report. The Auditors of the Company have not reported any instances of fraud committed against the Company by its officers or employees as specified under section 143(12) of the Companies Act, 2013.

SECRETARIAL AUDITOR

The Company has appointed Mr. R. Mukundan, Company Secretaries in Practice to conduct secretarial audit and their Report is appended to this Report as **Annexure-III.**

The Secretarial Audit Report for the year does not contain any qualification, reservations, adverse or disclaimers remark except for-delayed in disclosure of related party transactions on consolidated basis for the half year ended March 2022 for which Company has taken adequate steps to ensure the timely compliance of the filings with the Stock Exchange. The Company complies with all applicable secretarial standards.

COST AUDITOR

Pursuant to section 148 of the Companies Act 2013, the Board of Directors on the recommendation of Audit Committee appointed M/s. A.N. Raman & Associates, Cost Accountants in Practice as the Cost Auditors of the Company for the Financial Year 2023-24 and has recommended their remuneration to the Shareholders for their ratification at the ensuing Annual General Meeting. M/s. A.N. Raman & Associates, Cost Accountants have given their consent to act as Cost Auditors and also certified that they are free from any disqualifications specified under Section 141 of the Companies Act, 2013. Your Company has maintained cost records which were duly audited in terms of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014.

INTERNAL AUDITOR

The Board has engaged M/s. S K R and Company LLP, Chartered Accountants, as its Internal Auditors. Their scope of work includes review of internal controls and its adherence, statutory compliances, health, safety and environment compliance, compliance towards related party transactions and risk assessments.

16. RELATED PARTY TRANSACTIONS

All transactions entered by the Company during the period under review with Related Parties were in the ordinary course of business and at arm's length basis. The Audit Committee granted prior approval / ratification for the

transactions and the same are being reviewed and approved by the Audit Committee and the Board of Directors at regular intervals. There were no materially significant transactions with related parties during the financial year 2022-23 which were in conflict of interest. The details of the transactions with related parties are given in Note No. 47 of the financial statements.

17. BOARD OF DIRECTORS & BOARD MEETINGS HELD DURING THE YEAR

During the year, four (4) Board Meetings were convened and held. The details of meetings are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The details relating to the same are given in Report on Corporate Governance forming part of this Board Report.

18. POLICIES

In accordance with the requirements of the Companies Act, 2013, the Listing Agreement and SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has framed the required policies and the policies wherever mandated, are uploaded on the company's website, under the web-link www.iprings.com. The brief list of the links is as follows: -

TERMS OF APPOINTMENT OF IDs https://iprings.com/wpcontent/uploads/2023/05/Format_Independent-Directors-Appointment-letter.pdf	**DIRECTORS FAMILIARIZATION PROGRAM** https://iprings.com/wpcontent/uploads/2023/05/Familiarization_Program_for_Independent_Directors.pdf
POLICY ON VIGIL MECHANISM / WHISTLE BLOWER POLICY https://iprings.com/wp-content/uploads/2023/05/Whistle-Blower-Policy.pdf	**CODE OF BUSINESS CONDUCT AND ETHICS** https://iprings.com/wpcontent/themes/iprings/pdf/Code_Of_Conduct.pdf
ANNUAL REPORTS https://iprings.com/investors/annual-reports/	**RELATED PARTY TRANSACTION POLICY** https://iprings.com/wpcontent/uploads/2023/05/Policy-on-materiality-of-related-party-transactions-and-Policy-on-dealing-with-related-party-transactions.pdf
CSR POLICY https://iprings.com/wpcontent/themes/iprings/pdf/Corporate_Social_Responsibility_Policy.pdf	**NOMINATION AND REMUNERATION POLICY** https://iprings.com/wpcontent/uploads/2023/05/Nomination-Remuneration-Policy-Board-Diversity.pdf
RISK MANAGEMENT POLICY https://iprings.com/wp-content/uploads/2012/10/Risk-Assessment-Management-Policy.pdf	**GENERAL UPDATES** https://iprings.com/investors/
DETERMINATION OF MATERIALITY OF EVENTS https://iprings.com/wp-content/uploads/2023/05/Policy-for-determining-materiality-of-events.pdf	**Policy for Determining of Material Subsidiaries** https://iprings.com/wpcontent/uploads/2023/02/Policy-for-determining-of-Material-Subsidiaries.pdf

19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements under Note Number 2A [NON-CURRENT FINANCIAL ASSETS – INVESTMENTS] forming part of Annual Report

20. ANNUAL RETURN

The extract of annual return as required under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the website of the Company at https://iprings.com/wp-content/uploads/2023/07/Form-MGT-7-2021-22.pdf.

21. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, Independent Directors at their meeting held on 14th February 2023 considered / evaluated the Board's performance, Committees and performance of the Chairman and other non-independent Directors. The Board has undergone a formal review which comprised Board effectiveness and allied subjects. The Board also reviewed the workings of the various committees and sub-committees without participation of the concerned Directors / Members. The manner in which the evaluation has been carried out is explained in the Corporate Governance Report.

22. VIGIL MECHANISM

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (LODR) Regulations, 2015, the Board of Directors had approved the Policy on Vigil Mechanism which inter-alia provides a direct access to the Chairman of the Audit Committee. Your Company hereby affirms that no Director / employee have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

23. AUDIT COMMITTEE

The Company has in place an Audit Committee in terms of the requirements of the Companies Act, 2013 read with the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details relating to the same are given in Report on Corporate Governance forming part of this Board Report

24. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has put in place a policy for prevention, prohibition and redressal against sexual harassment of women at the workplace to protect women employees and enable them to report sexual harassment at the work place. No complaints were received from any employee during the year ended 31st March 2023.

25. DIRECTORS' RESPONSIBILITY STATEMENT

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS), the relevant provisions of the Companies Act, 2013 and the Rules made thereunder, guidelines issued by SEBI. The financial statements are prepared under the historical cost convention on accrual basis except for certain financial instruments that are measured at fair values, and guidelines.

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility statement, the Board of Directors of the Company confirms-

i. That in the preparation of the annual accounts for the financial year ended 31st March 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures.
ii. That 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 of the Company for period under review.
iii. 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;
iv. The Directors had prepared the annual accounts for the year ended 31st March 2023 on a "going concern" basis;
v. The Directors, had laid down an adequate system of internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and

vi. 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.

26. DISCLOSURE UNDER INSOLVENCY AND BANKRUPTCY CODE

During the year under review there are no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016

27. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation to section 134(5) of the Companies Act, 2013. For the period under review, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weakness exists. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and/or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

28. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of the report.

29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required under section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are set out in **Annexure- IV** hereto forming part of this report.

30. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

31. DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013

Pursuant to Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the ratio of remuneration of each director to the median employee's remuneration and such other details are set out in **Annexure – V** hereto forming part of this report.

32. PARTICULARS OF EMPLOYEES

The information on top ten employees who were in receipt of remuneration of not less than Rs.102,00,000/- (Rupees One Crore and Two Lakhs only) during the financial year or Rs. 8,50,000/- (Rupees Eight Lakh Fifty Thousand only) per month during any part of the said year as required under Section 197 (12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure forming part of the Report. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the shareholders excluding the aforesaid Annexure. The said statement is also open for inspection at the Registered Office of the Company. Any member interested in obtaining a copy of the same may write to the Company Secretary.

33. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each independent director stating that he/she meets the criteria of independence as laid down under Section 149(6), 147(7) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that there has been no change in the circumstances affecting their status as an Independent Director during the year. In the opinion of the Board, the independent directors fulfil the conditions specified in these regulations and are independent of the management.

Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013. Formal Annual Evaluation of Directors was done as per the requirements of the Companies Act, 2013. The Independent Directors of the Company have registered themselves with the data bank maintained by Indian Institute of Corporate Affairs (IICA).

34. RISK MANAGEMENT POLICY

The Company has an adequate Risk Management Policy commensurate with its size and operations. The major risks identified by the Company are systematically addressed through mitigating actions on a continuous basis.

35. DEPOSITORY SYSTEM

As the members are aware, the Company's shares are compulsorily tradable in electronic form. As on 31st March 2023, 98.68 % of the Company's total paid up capital representing 1,25,08,436 shares are in dematerialized form. Pursuant to amendments in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from January 24, 2022, requests for effecting transfer of securities in physical form, shall not be processed by the Company and all requests for transmission, transposition, issue of duplicate share certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, sub-division/split of securities certificate and consolidation of securities certificates/folios need to be processed only in dematerialized form. In such cases the Company will issue a letter of confirmation, which needs to be submitted to Depository Participant(s) to get credit of the securities in dematerialized form.

36. DIRECTORS REMUNERATION

Details of the remuneration paid to the Executive and Non-Executive Directors of the Company are given in the Corporate Governance Report Section of this Annual Report.

37. COMPLIANCE WITH SECRETARIAL STANDARDS

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (SS1 and SS2) relating to Meetings of the Board and its Committees which have mandatory application.

38. DISCLOSURE UNDER ONE TIME SETTLEMENT

During the year under review your Company has not made any one-time settlement with any of its Banks or Financial Institutions.

39. CORPORATE SOCIAL RESPONSIBILITY [CSR]

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and its subsequent amendments, your Company framed a Policy on Corporate Social

Responsibility and an amount of Rs. 12,81,772 was spent towards Corporate Social Responsibility obligations and the relevant details are provided in **Annexure-VI** to this Report.

40. NO CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business being carried out by the Company.

41. ACKNOWLEDGEMENT

The Directors wish to express their appreciation for the continued co-operation of the Central and State Governments, Bankers, customers, dealers, suppliers and share-holders.

Your Directors wish to place on record their appreciation of the Technical Assistance and also the support extended by M/s Nippon Piston Ring Co. Ltd., Japan and M/s. India Pistons Limited, Chennai, respectively.

Your Directors also wish to place on record their appreciation of the contribution made by the employees at all levels.

For and on behalf of the Board

M. Govindarajan
(DIN 09264840)
Whole Time Director
Chennai
May 26, 2023

For and on behalf of the Board

A. Venkataramani
(DIN 00277816)
Managing Director
Chennai
May 26, 2023

ANNEXURE – I OF THE DIRECTORS' REPORT TO THE SHAREHOLDERS

FORM AOC – 1

(PURSUANT TO FIRST PROVISO TO SUB-SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014)

Statement containing salient features of the financial statements of subsidiary / associate company / joint ventures

PART A: Subsidiaries

The Company does not have any subsidiary company.

PART B: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of the Joint Venture	IPR Eminox Technologies Private Limited
CIN	U28999TN2021PTC148825

S. N	PARTICULARS	DETAILS
1	Latest audited balance sheet	31st March 2023
2	Date on which the Associate or Joint Venture was associated or acquired	24th December 2021
3	Shares of joint ventures held by the Company on the year end	
	Equity Shares (Nos.)	10,00,000
	Amount of investment in Associates or Joint Venture	1,00,00,000
	Extent of Holding (in percentage)	50%
4	Description of how there is significant influence	Joint control
5	Reason why the joint venture is not consolidated	NA. Accounted for using the equity method as per the requirements of the applicable Ind AS
6	Net worth attributable to shareholding as per latest audited Balance Sheet	91.31
7	Profit / (loss) for the year (Net of adjustments) considered in consolidation	(6.82)

1. Names of associates or joint ventures which are yet to commence operations: Not Applicable

2. Names of associates or joint ventures which have been liquidated or sold during the year: Not Applicable

For and on behalf of the Board

M. Govindarajan
(DIN 09264840)
Whole Time Director

Chennai
May 26, 2023

For and on behalf of the Board

A. Venkataramani
(DIN 00277816)
Managing Director

Chennai
May 26, 2023

ANNEXURE – II OF THE DIRECTORS' REPORT TO THE SHAREHOLDERS

FORM AOC – 2

(PURSUANT TO CLAUSE (H) OF SUB-SECTION (3) OF SECTION 134 OF THE ACT AND RULE 8(2) OF THE COMPANIES (ACCOUNTS) RULES, 2014

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1.) DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transactions	NIL
c)	Duration of the contracts/arrangements/transactions	NIL
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
e)	Justification for entering into such contracts or arrangements or transactions	NIL
f)	Date(s) of approval by the Board	NIL
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2023, which were not at arm's length basis.

2.) DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS

There were no material contracts or arrangements or transactions entered into during the year ended March 31, 2023.

The details were explained in the Notes to Financial Statements which form part of this report. The Audit Committee and the Board approved those transactions which are valid up to March 31, 2023. The Company has put in place effective mechanism to review such transactions on a regular basis.

For and on behalf of the Board of Directors

M Govindarajan
(DIN 09264840)
Whole Time Director
Chennai
May 26, 2023

For and on behalf of the Board of Directors

A Venkataramani
(DIN 00277816)
Managing Director

ANNEXURE – III OF THE DIRECTORS' REPORT TO THE SHAREHOLDERS

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[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 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015]

To

The Members
IP Rings Ltd.
Maraimalai Nagar 603 209

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IP Rings Ltd.** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company'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 authorized representatives during the conduct of Secretarial Audit I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2023** and made available to me, according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment

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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client

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

(e) The Securities and Exchange Board of India [Issue of Capital and Disclosure Requirements] Regulations, 2018 including amendment thereof

(f) The Securities and Exchange Board of India [Depositories and Participants] Regulations, 2018 including amendment thereof

vi. Pollution Control Act, Rules and Notifications issued thereof

vii. Factories Act, 1948 and Rules made thereunder

viii. Shops and Establishment Act, 1953

ix. Contract Labour [Regulation and Abolition] Act, 1970

x. The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Rules made thereunder

xi. The Minimum Wages Act, 1948

xii. The Payment of Bonus Act, 1965

xiii. The Payment of Gratuity Act, 1972

xiv. Industrial Employment [Standing Orders] Act, 1946

xv. The Employment Exchange [Compulsory Notification of Vacancies] Act, 1959

xvi. The Payment of Wages Act, 1936 and Amendments thereof

xvii. Other vital laws applicable specifically to the Company:

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

I report that, during the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines and Standards mentioned above.

I further report that, there were no events / actions in pursuance of:

a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and

c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

I further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this Audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

I 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 at least seven days 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. Video Conference facilities / other Audio-Visual means are used as and when required to facilitate the Directors at other locations to participate in the Meetings.

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 have been recorded.

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance certificates / reports taken on record by the Board of Directors of the Company, in my opinion, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Chennai
Date: 22.05.2023

R MUKUNDAN
ACS No.: 7876 / C P No.: 12635
UDIN: A007876E000349261
Peer Review Cert. No. 2977/2023

Note: This report is to be read with my letter of even date which is annexed as **'ANNEXURE A'** and forms an integral part of this Report.

ANNEXURE "A" TO SECRETARIAL AUDIT REPORT

To

The Members
IP Rings Ltd.
Maraimalai Nagar 603 209

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and process 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. I believe that the process and practices, followed by me provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management Representation Letter 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. My examination was limited to the verification of procedure 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: Chennai
Date: 22.05.2023

R Mukundan
ACS No.: 7876 / C P No.: 12635
UDIN: A007876E000349261
Peer Review Cert. No. 2977/2023

ANNEXURE – IV OF THE DIRECTORS' REPORT TO THE SHAREHOLDERS

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO FOR THE YEAR 2022-23

A. CONSERVATION OF ENERGY

I. ENERGY CONSERVATION MEASURES TAKEN

The manufacturing units of the company have continued their efforts to reduce the energy consumption. Energy conservation initiatives are being planned and implemented across manufacturing locations. Apart from regular practices and measures for energy conservation, many new initiatives were driven across all the units.

II. THE STEPS TAKEN BY THE COMPANY FOR UTILIZING ALTERNATE SOURCES OF ENERGY

The Company has entered into power purchase agreement with M/s. K. Ramakrishnan Clean Energy Private Limited to purchase Clean Energy (Wind Energy) thereby tapping alternate source of energy. Your company is also exploring other alternate sources of green energy.

III. CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENT'S

No capital investment has been made during the period under review.

B. TECHNOLOGY ABSORPTION AND INNOVATION

SPECIFIC AREAS IN WHICH R&D IS CARRIED OUT BY THE COMPANY	
PISTON RINGS	**ORBITAL COLD FORMING**
➢ Developed BSVI norms Piston Rings for Engines operating with Diesel, Petrol, Alcohol and CNG fuels in passenger car and truck application. ➢ Developed Piston Rings thru Cam Coiling route ➢ Developed alloy PVD for alcohol fuel E20 ~ E100 ➢ Developed soft middle layer PVD for Commercial Vehicles ➢ Developed selective nit riding for Turbo Engines ➢ Developed preform Taper wire & Groove for Steel Piston Ring ➢ Developed new chemical for improving the bath life of Electrolyte	➢ Developed intricate geometrical parts like LSD track lock gears thru OCF process ➢ Developed new material 27Mn 5 Cr for manufacturing Differential Gears ➢ Developed larger diameter (160 mm die) Curvic Gear for Export Line ➢ Developed auto offset correction to eliminate manual intervention. ➢ Developed ultrasonic cleaning to achieve the cleanliness of Differential Gears ➢ Developed vision control system for identifying defects and part numbers

BENEFITS DERIVED AS A RESULT OF ABOVE R&D	
PISTON RINGS	**ORBITAL COLD FORMING**
➢ Development of BSVI norms Piston Rings for Engines operating with Diesel, Petrol, Alcohol and resulted in business for VW, M&M MDI, Hino ➢ Development of Piston Ring thru Camcoiling route for 2W & Passenger Cars and thereby increased the productivity. It has also made possible to produce Piston Rings with negative Ovality ➢ Development of alloy PVD has leaped into the business for the models Dolphin, KCC & TATA1.5l ➢ Development of Soft Middle layer has leaped into the business for Hino & M&M MDI ➢ Development of selective nit riding has given entry in Turbo Engine segment for TATA customer ➢ Development of preform wire has reduced the GN cycle time ➢ Development of new chemical has doubled the electrolyte life.	➢ Development of intricate geometrical parts like LSD track lock has given entry into new business for export market ➢ Development of new material has given entry in export line for PSA Customer. Parts has passed the testing successfully ➢ Development of bigger diameter Curvic gear has resulted in getting new projects in export Business ➢ Development of auto offset has minimized the manual intervention and improved the product quality ➢ Development of in house ultrasonic cleaning system machine for achieving cleanliness to cater Gears for OEM customers ➢ Development of Vision system in inspection has improved the quality of the Differential Gears

FUTURE PLAN OF ACTION	
PISTON RINGS	**ORBITAL COLD FORMING**
➢ Development of low friction hydrogen free DLC coating for all fuel application ➢ Development of new proposals of 3-piece Oil Ring for LCV application to reduce oil consumption ➢ Development of larger diameter (160 mm) Piston Ring for Genset application ➢ Developing smaller diameter Rings for Turbo charger	➢ Development of Ring Rolled blanks for Pole Wheel and Ring Gear ➢ Development of Diff Case assembly for Car Segment ➢ Development of in house Heat Treatment Facility for Differential Gears

EXPENDITURE ON R&D	**NIL**

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

PARTICULAR	2022-23 (In Lakhs)	2021-22 (In Lakhs)
Foreign Exchange earned	**9,492.75**	10,582.67
Foreign Exchange outgo	**1,988.89**	3633.38

ANNEXURE-V TO THE DIRECTORS' REPORT

DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013
COMPARATIVE ANALYSIS OF REMUNERATION PAID TO DIRECTORS & EMPLOYEES WITH THE COMPANY'S PERFORMANCE:

I. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Sl No	Name of Directors	Designation	Ratio to Median remuneration
1	Mr. A Venkataramani	Managing Director	45.83
2	Mr. M Govindarajan	Whole Time Director (Up to 26.05.2023)	11.61
3	Mr. Navin Paul	Independent Director	0.24
4	Mr. Vikram Vijayaraghavan	Independent Director	0.24
5	Dr. Sandhya Shekhar	Independent Director	0.24
6	Mr. Ryosuke Hasumi	Director	0

II. The percentage increase in remuneration of each Director, Chief Financial Officer & Company Secretary and Chief Executive Officer, in the financial year:

Sl No	Name of Directors	Designation	% Increase / (Decrease) in remuneration
1	Mr. A Venkataramani	Managing Director	24.83
2	Mr. Navin Paul	Independent Director	(66.67)
3	Mr. Vikram Vijayaraghavan	Independent Director	(66.67)
4	Dr. Sandhya Shekhar	Independent Director	(66.67)
5	Mr. M Govindarajan	Director	(5.87)
6	Mr. Ryosuke Hasumi	Director	0
7	Mr. Venkataraman	Chief Financial Officer	14.24
8	Mr. V. Anantha Subramanian (Up to 05 October 2022)	Company Secretary	6.51
9	Mr. Kamala Kannan Premnatha (Up to 22 June 2023)	Company Secretary	0

III. The percentage increase in the median remuneration of employees in the financial year: 35

IV. The number of permanent employees on the rolls of company: 487

V. Average percentile increase 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:

- Average percentile increase already made in the salaries of employees other than the managerial personnel in the financial year 2022-23 - 1.48
- Average percentile increase / (decrease) in the managerial remuneration in the financial year 2022-23 – 18.02

VI. The Nomination and Remuneration Committee of the Company has affirmed that the remuneration is as per the Nomination and Remuneration Policy of the Company.

ANNEXURE – VI TO THE DIRECTORS' REPORT TO THE SHAREHOLDERS

CSR ACTIVITIES FOR THE FY 22-23

PARTICULARS OF CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES CARRIED OUT BY THE COMPANY IN TERMS OF SECTION 135 OF THE COMPANIES ACT, 2013

1. A brief outline of the Company's CSR Policy:

   This policy encompasses the Company's philosophy for giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for the transformation and sustainable development of the rural communities at large.

2. Composition of the CSR Committee:

Sl. No.	Name of the Member	Designation	Status
1.	Dr Sandhya Shekhar	Independent Director	Chairman
2.	A Venkataramani	Managing Director	Member
3.	Navin Paul	Independent Director	Member

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company
   Composition of the CSR committee shared above and is available on the Company's website at https://iprings.com/investors/code-of-conduct/
   CSR policy - https://iprings.com/investors/code-of-conduct/
   CSR projects - https://iprings.com/investors/code-of-conduct/

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). Not applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

SI No	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
1	2021-22	NIL	

6. Average net profit of the Company as per Section 135(5) of the Act: Rs. 6,40,88,600 /-

7. (a) Two percent of average net profit of the Company as per Section 135(5) of the Act: Rs. 12,81,772
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
   (c) Amount required to be set off for the financial year, if any: Nil
   (d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 12,81,772

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

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 12,81,772	NA	NA	NA	NA	NA

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

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S No	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Amount spent for the project (Rs Lakhs)	Mode of implementation – Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State / Union Territories	District			Name	CSR registration Number
1	Skill Development	Promoting Education	Yes	Tamilnadu	Chengalpattu	8	Yes	NA	NA
2	Promoting education	Promoting education	Yes	Tamilnadu	Tenkasi	5	No	Sri Paramakalyani Education Society	CSR 00003037

(d) Amount spent in Administrative Overheads: NA

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 12,81,772

(g) Excess amount for set off, if any: NA

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

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NA

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): NA

11. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5) of the Act: NA

For and on behalf of the Board	For and on behalf of the Board	For and on behalf of the Board
V Sandhya Shekhar	A Venkataramani	Navin Paul
(DIN 06986369)	(DIN 00277816)	(DIN 00424944)
Director	Managing Director	Director

Chennai
May 26, 2023

REPORT ON CORPORATE GOVERNANCE AS ON 31st MARCH, 2023

Your Directors are pleased to present the compliance report on Corporate Governance.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance continues to be a strong focus area for the Company. Our philosophy on Corporate Governance emanates from resolute commitment to protect stakeholder rights and interests, proactively manage risks and create long-term wealth and value.

2. BOARD OF DIRECTORS

A. COMPOSITION OF BOARD OF DIRECTORS

The Board of Directors of the company comprises of qualified members with requisite skills, competence and expertise in various areas that allows them to have effective contribution in the Board and committee deliberations. They possess the skills and competence in various areas like Technology, Finance, Legal, Taxation, Leadership, Marketing with diversified experience contributing to the effective corporate governance by the Company.

As on 31st March 2023, the total strength of the board was Six as under:

Your Company is managed by a Board of Directors comprising of a combination of Executive and Non-Executive Directors with the Non-Executive Directors constituting more than fifty percent of the total strength of the Board. The Company has regular Non-Executive Chairman and more than (1/3) one-third of the Board is comprising of Independent Directors.

None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 committees across all companies in which he is a Director. Necessary disclosures with regard to membership of committees have been made by the Directors.

The composition of the Board and other details as on 31st March, 2023 was as under:

NAME OF THE DIRECTOR	CATEGORY OF DIRECTORSHIP	NUMBER OF OTHER DIRECTORSHIPS, COMMITTEE MEMBERSHIPS / CHAIRMANSHIPS				
		OTHER DIRECTORSHIPS*	NAME OF THE LISTED COMPANIES AND THE CATEGORY OF DIRECTORSHIP	COMMITTEE MEMBERSHIPS** (INCLUDE IP RINGS)	COMMITTEE CHAIRMANSHIPS (INCLUDE IP RINGS)	SHARE HOLDING
Mr. A Venkataramani	Managing Director	8	-	-	-	33120
Mr. M. Govindarajan	Whole Time Director	-	-	-	-	264
Mr. Ryosuke Hasumi	Non –Executive Director	-	-	-	-	-
Dr. Sandhya Shekhar	Independent Non-Executive	1	-	3	-	-
Mr. Vikram Vijayaraghavan	Independent Non-Executive	7	-	3	3	-
Mr. N. Navin Paul	Independent Non-Executive	2	Pricol Limited Independent Director	1	-	-

* Represents includes private companies
** includes committees where the director holds the position of Chairman
For the membership and chairpersonship in Committees, Audit Committee and Stakeholders' Relationship Committee have only been considered as per Regulation 26 of the Listing Regulations. Also, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 have been excluded.

B. MEETINGS OF THE BOARD

During the year 2022-23, the Board met four times viz., 27th May 2022, 8th August, 2022, 14th November 2022 and 14th February 2023, and the gap between two meetings did not exceed one hundred and twenty days. The Independent Directors held a separate meeting on 14th February 2023, in compliance with the provisions of the Act, 2013 and Regulation 25(3) of Listing Regulations. All the NE-IDs were present at the meeting.

NAME OF THE DIRECTOR	DIN NO	NO. OF BOARD MEETINGS ATTENDED DURING 2022-23	ATTENDANCE AT AGM HELD ON 08TH AUGUST, 2022
Mr. A Venkataramani	00277816	4	Yes
Mr. Ryosuke Hasumi	09368134	4	Yes
Mr. M. Govindarajan	09264840	4	Yes
Dr. Sandhya Shekhar	06986369	4	Yes
Mr. Vikram Vijayaraghavan	01944894	4	Yes
Mr. Navin Paul	00424944	4	Yes

BOARD CONFIRMATION ON INDEPENDENT DIRECTOR

Board hereby confirms that the Independent Directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

Place: Chennai
Date: 26th May, 2023

Mr. A Venkataramani
Managing Director
DIN – 00277816

C. NAMES OF DIRECTORS WHO HAVE SUCH SKILLS/EXPERTISE/COMPETENCE

The Board is well structured to ensure a high degree of diversity by age, gender, educational qualification, professional background, present activity, sector expertise and special skills (classification).

Board comprises range and balance of skills, experience, knowledge, gender, social-economic backgrounds and independence. This needs to be backed by a diversity of personal attributes, including sound judgement, honesty and courage.

Professional Background & Skills / expertise / competency of Directors:

NAME OF THE DIRECTOR	SKILLS/EXPERTISE/COMPETENCE
Mr. A Venkataramani (Managing Director)	• A British national who joined the Company in 2010 and instrumental in steering the company in terms of Digitization, Business strategy and renewed Mission. • He did his MBA from Chicago, USA. He has been at the forefront of the company's efforts in successfully implementing systems and procedures based on TPM, TQM & Lean manufacturing in all locations. • He plays a vital role in Madras Management Association, ACMA and various other forums.
Mr. M. Govindarajan (Whole Time Director	• Mr. M. Govindarajan is an Engineer by profession and his qualification details are B.E, M.B.A, M.S. (Technological Operations).s
Mr. Ryosuke Hasumi (Non –Executive	• Mr. Ryosuke Hasumi, aged 51 years, is a Mechanical Engineer by profession graduated from Tamagawa University in 1997.

Director)	• He joined NPR in 1997 and he is currently the General Manager of Production Development Department.
Dr. Sandhya Shekhar (Independent Non-Executive)	• She joined the Company in 2014 and holds a Doctorate in Information Technology and was the first CEO of IIT Madras Research Park. • She is also an expert in the area of Knowledge and Innovative Strategy • She is instrumental in giving expert advice on steering the Digitization and other strategic areas.
Mr. Vikram Vijayaraghavan (Independent Non-Executive)	• He joined the Company in 2019 and is holding a Bachelor of Law and holds MS [Computer Science & Electrical Engineering] at Stanford University. • He is an Advocate, specialized in Corporate and Taxation and Consultation at one of the leading tax firms in South India. • He is the Chairman of Audit Committee and is pivotal in providing technical advice to the Company.
Mr. Navin Paul (Independent Non-Executive)	• He joined the Company in 2019 and is a Qualified Engineer and holds MBA in the field of Marketing. • He also held various pivotal roles in Bosch, Escorts, Ashok Leyland, and TI Engineering. • He specializes in Trend Monitoring, Technology Road maps & Business enabler. • He plays a pivotal role of guiding the Board in terms of Business Development due to his rich experience

D. DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE

None of the Directors are related to each other.

E. NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON- EXECUTIVE DIRECTORS

Nil

F. ACCESS TO INFORMATION AND UPDATION TO DIRECTORS:

The Board reviews all the information provided periodically for discussion and consideration at its meetings in terms of the Listing Regulations. Functional heads are present whenever necessary and apprise all the Directors about the developments. They also make presentations to the Board and Audit Committee of Directors.

G. FAMILIARIZATION PROGRAM

Familiarization program is made available to the Directors covering such topics on Board's role, Board's composition and conduct, Board's risks and responsibilities, to ensure that they are fully informed on current governance issues. The details of familiarization program are available on the Company's website in the link is provided in this Annual Report under “Policies”

H. CODE OF BUSINESS CONDUCT AND ETHICS FOR MEMBERS OF THE BOARD AND SENIOR MANAGEMENT PERSONNEL

The Company has in place a Code of Business Conduct and Ethics for Members of the Board and Senior Management Personnel (the Code) approved by the Board.

The Code has been communicated to Directors and the Senior Management Personnel. The Code has also been displayed on the Company's website in the link is provided in this Annual Report under “Policies”.

All the Members of the Board and Senior Management Personnel have confirmed compliance with the Code for the year ended 31st March 2023. The Annual Report contains a declaration to this effect signed by the Managing Director of the Company.

I. COMMITTEES OF THE BOARD

The Board has, in order to make a focused attention on business and for better governance and accountability, constituted the following mandatory committees viz., Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee.

The terms of reference of these Committees are determined by the Board and their performance is being reviewed. Meetings of each of these Committees are convened by the respective Chairman of the Committee. The minutes of the Committee Meetings are placed before the subsequent Board meetings.

The Company's guidelines relating to the Board Meetings are also applicable to the Committee Meetings as far as practicable. Each Committee and also their Chairman have the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its function. Minutes of proceedings of the Committee Meetings are circulated to the concerned Committee members for approval and then placed before the Board for taking note thereof.

3. AUDIT COMMITTEE

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosure and transparency, integrity and quality of financial reporting.

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Clause 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 as applicable.

The subjects reviewed and recommended in the meetings of the Audit Committee were apprised to the Board by the Chairman of the Committee, for its approval. All the recommendations made by the Committee during the year under review, were accepted by the board.

THE TERMS OF REFERENCE INCLUDE
✓ Oversight of the Company's financial reporting process.
✓ Reviewing with the management, the quarterly financial results, annual financial statements and the auditors' report thereon, before submission to the Board for approval.
✓ Recommendation for the appointment, remuneration and terms of appointment of the auditors of the Company
✓ Reviewing and monitoring the auditor's independence, performance and effectiveness of audit process.
✓ Approval or any subsequent modification / material modification of transactions of the Company with related parties.
✓ Evaluation of internal financial controls and risk management systems.
✓ Reviewing the adequacy of internal audit function, coverage and frequency of internal audit.
✓ Discussion with the auditors of any significant findings on 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.
✓ To review the investments made by the Company
✓ To review the functioning of the Whistle Blower mechanism.

B. COMPOSITION, NAME OF THE CHAIRMAN AND MEMBERS

The composition of the Committee is in accordance with the requirements of the Regulation 18 of the Listing Regulations read with Section 177 of the Act, 2013.

Mr. Vikram Vijayaraghavan, the Chairman of the Committee was present at the last AGM held on 8th August 2022 to answer the Shareholders' queries.

Company Secretary acts as Secretary of the Committee.

As at 31st March 2023, the Committee consists of 3 Directors. The names and members of the Committee are as follows:

Mr. Vikram Vijayaraghavan	Chairman	Non Executive – Independent
Dr. Sandhya Shekhar	Member	Non Executive – Independent
Mr. Navin Paul	Member	Non Executive – Independent

C. THE PARTICULARS OF MEETINGS AND ATTENDANCE BY THE MEMBERS OF THE COMMITTEE

The Details are given in the table below:

DATE OF THE MEETINGS	MEMBERS PRESENT		
	V.VIJAYARAGHAVAN	SANDHYA SHEKHAR	NAVIN PAUL
27 May 2022	✓	✓	✓
8 August 2022	✓	✓	✓
14 November 2022	✓	✓	✓
14 February 2023	✓	✓	✓

4. NOMINATION AND REMUNERATION COMMITTEE (NRC)

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE

The powers, role and terms of reference of the Nomination and Remuneration Committee cover the areas as contemplated under Clause 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also Section 178 of the Companies Act, 2013 apart from any references made to it by the Board of Directors.

THE TERMS OF REFERENCE INCLUDE

- ✓ Identification of persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment removal.
- ✓ Recommendation to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- ✓ Formulation of criteria for determining qualifications, positive attributes and independence of a Director.
- ✓ Formulation of the criteria for evaluation of Independent Directors and the Board

B. COMPOSITION OF THE COMMITTEE

The Committee comprises of three Directors.

Mr. Navin Paul	Chairman	Non Executive – Independent
Mr. Vikram Vijayaraghavan	Member	Non Executive – Independent
Dr. Sandhya Shekhar	Member	Non Executive – Independent

Mr. Navin Paul, Chairman of the Committee was present at the last AGM held on 8th August 2022 to answer the shareholders queries.

C. THE PARTICULARS OF MEETINGS AND ATTENDANCE BY THE MEMBERS OF THE COMMITTEE

The Details are given in the table below:

DATE OF THE MEETINGS	MEMBERS PRESENT		
	NAVIN PAUL	SANDHYA SHEKHAR	VIKRAM VIJAYARAGHAVAN
27 May 2022	✓	✓	✓
14 November 2022	✓	✓	✓

D. EVALUATION CRITERIA

The performance evaluation of the Board as a whole was assessed based on the criteria, like its composition, size, mix of skills and experience, its meeting sequence, effectiveness of discussion, decision making, follow up action, quality of information, governance issues and the performance and reporting by various Committees set up by the Board. The performance evaluation of individual Director was carried out based on his / her commitment to the role and fiduciary responsibilities as a board member, attendance and active participation, strategic and lateral thinking, contribution and recommendations given professionally, heading / acting as Member of various Committees etc. The performance of Senior Management Personnel was measured against their achievement of the business plans approved by the Board during and at the completion of the financial year.

E. REMUNERATION TO DIRECTORS

The remuneration payable to Managing Director [MD] is fixed by the Board and is within the limits approved by the shareholders in terms of the relevant provisions of the Act, 2013.

I. MANAGING DIRECTOR [EXECUTIVE & NO SITTING FEE]

PARTICULARS	MANAGING DIRECTOR (₹ IN LAKHS)
Fixed Component Salary	158.54
Perquisites	29.55
Total	188.09

II. WHOLE TIME DIRECTOR [EXECUTIVE & NO SITTING FEE]

PARTICULARS	WHOLE TIME DIRECTOR (₹ IN LAKHS)
Fixed Component Salary	45.86
Perquisites	0.39
Total	46.25

III. NON – EXECUTIVE DIRECTORS

Apart from the sitting fees, the Non – Executive Directors are eligible for commission as per the provisions of Section 197 of the Companies Act, 2013. Compensation paid to the individual director is limited to a sum as

determined by the Board. The Board on an annual basis review the performance of the Independent Directors.

DIRECTOR	SITTING FEE	COMMISSION	STOCK OPTION	NO. OF SHARES HELD
Dr Sandhya Shekhar	1.20,000	100000	0	0
Mr. Vikram Vijayaraghavan	1.20,000	100000	0	0
Mr. Navin Paul	1.20,000	100000	0	0

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

A. COMPOSITION OF THE COMMITTEE

The Committee comprises of three Directors. The name and members of the Committee are as follows:

Mr. Vikram Vijayaraghavan	Chairman	Non Executive Independent
Mr A Venkataramani	Member	Executive Director
Dr Sandhya Shekhar	Member	Non Executive Independent

Mr Vikram Vijayaraghavan, the Chairman of the Committee was present at the last AGM held on 8th August 2022 to answer shareholders queries.

B. BRIEF DESCRIPTION OF TERMS OF REFERENCE

THE TERMS OF REFERENCE INCLUDE
✓ Resolving the grievances of the security holders of the Company ✓ Review of measures taken for effective exercise of shareholder voting rights ✓ Oversight of performance of the Registrar and Share Transfer Agents

C. THE PARTICULARS OF MEETINGS AND ATTENDANCE BY THE MEMBERS OF THE COMMITTEE

The Details are given in the table below:

DATE OF MEETING	MEMBERS PRESENT		
	Vikram Vijayaraghavan	A Venkataramani	Sandhya Shekhar
14 February 2023	✓	✓	✓

D. COMPLIANCE OFFICER

As required by the Listing Regulations, Mr V Anantha Subramanian, Company Secretary (up to 5th October, 2022), is the Compliance Officer of the Company who oversees the redressal of investor grievances. Mr. K. Premnatha, was appointed as Company Secretary w.e.f. 14.11.2022 is the Compliance Officer of the Company, who oversees the redressal of investor grievances.

E. **REGISTRAR & SHARE TRANSFER AGENT**

The Company has appointed an external Share Transfer Agent [STA] M/s. Cameo Corporate Services Limited who oversees all the Share Transfers and other Depository related activities. The Company receives the reports on quarterly basis from STA and reviews the same. The role of the Stakeholder Relationship Committee is to oversee the overall compliance related to Stakeholders Relationship. SRC oversees and reviews all the matters connected with issue of duplicate share certificates and other issues pertaining to shares. The Company, as a matter of policy, disposes of investors' complaints within a span of seven days.

F. **QUERIES**

No queries and complaints were received during the financial year ended 31st March 2022 and no queries were pending at the year end.

G. **DEMATERIALIZATION OF SHARES**

All requests for dematerialization of shares were carried out within the stipulated time period and no request for dematerializing the share certificates was pending as on 31st March, 2023.

H. **RECONCILIATION OF SHARE CAPITAL AUDIT**

A Practicing Company Secretary carries out Reconciliation of Share Capital (RSC) Audit on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The reports are being regularly placed before the board for its perusal.

The RSC audit reports confirmed that the total issued and listed capital was in agreement with the total number of shares in physical form and in dematerialized form held with NSDL and CDSL. The Said Share Capital Reconciliation reports were duly filed with the Bombay Stock Exchange on Quarterly basis.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

A. **COMPOSITION OF THE COMMITTEE**

The Committee comprises of three Directors. The name and members of the Committee are as follows:

Dr Sandhya Shekhar	Chairman	Non-Executive Independent
Mr. A Venkataramani	Member	Executive
Mr. Navin Paul	Member	Non-Executive Independent

B. **BRIEF DESCRIPTION OF TERMS OF REFERENCE**

THE TERMS OF REFERENCE INCLUDE
✓ To formulate and recommend to the Board, a CSR policy and Annual Action Plan indicating the Activities to be undertaken by the Company as specified in Schedule VII of the Act. ✓ To recommend the amount of expenditure to be incurred on the activities referred to above. ✓ To monitor the CSR activities of the Company from time to time.

C. **THE PARTICULARS OF MEETINGS AND ATTENDANCE BY THE MEMBERS OF THE COMMITTEE**

The details are given in the table below:

DATE OF MEETING	MEMBERS PRESENT		
	Sandhya Shekhar	A Venkataramani	Navin Paul
14.02.2023	✓	✓	✓

The details of CSR Policy, initiatives and spending are spelt out in Annexure-VI to the Directors Report.

7. ANNUAL GENERAL MEETINGS

LOCATION AND TIME WHERE AGMS WERE HELD DURING THE LAST THREE YEARS

YEAR	GM	LOCATION	DATE	TIME
2019-20	AGM	HELD THROUGH VC/OAVM	24.09.2020	11:30 AM
2020-21	AGM		29.07.2021	11:30 AM
2021-22	AGM		08.08.2022	12:30 AM

8 SPECIAL RESOLUTIONS PASSED IN THE PREVIOUS THREE AGM

During the last three years, 2019-20 to 2021-22 approvals of the shareholders were obtained by passing special resolutions as follows:

YEAR		SUBJECT MATTER OF SPECIAL RESOLUTION	DATE OF AGM/EGM
2019 – 20	(i.)	Re-appointment of Dr. Mahadevan as non-Executive who is liable to retire by rotation and who has attained more than 75 years of Age.	24.09.2020
2020 – 21	(i.)	To approve the appointment of M/s. Cameo Corporate Services Limited as Registrar and Share Transfer Agent	29.07.2021
	(ii.)	To approve the payment of Minimum remuneration to the Non-Executive Directors for a period of 3 years from April 01, 2021 in the event of inadequacy of profit in a financial year	
2021 – 22	(iii.)	To appoint Mr. A. Venkataramani as Managing Director of the Company for a period of three years from July 01, 2022 to June 30, 2025	08.08.2022
	(iv.)	To appoint Mr. M. Govindarajan as Whole Time Director of the Company for a period of three years from August 02, 2021 to August 01, 2024	

THE DETAILS OF VOTING PATTERN ARE AS UNDER			
YEAR	**ITEM(S)**	**VOTES CAST IN FAVOUR OF THE RESOLUTION (% AGE)**	**VOTES CAST AGAINST THE RESOLUTION (% AGE)**
2019 – 20	Re-appointment of Dr. Mahadevan as non-Executive who is liable to retire by rotation and who has attained more than 75 years of Age.	8208914 (99,99 %)	195 (0.19%)
2020 – 21	To approve the appointment of M/s. Cameo Corporate Services Limited as Registrar and Share Transfer Agent	8325712 (99.998%)	116 (0.001%)

2020 – 21	To approve the payment of Minimum remuneration to the Non-Executive Directors for a period of 3 years from April 01, 2021 in the event of inadequacy of profit in a financial year	8324596 (99.984%)	1232 (0.014%)
2021 – 22	To appoint Mr. A. Venkataramani as Managing Director of the Company for a period of three years from July 01, 2022 to June 30, 2025	7676568 (99.99%)	194 (0.01%)
2021 – 22	To appoint Mr. M. Govindarajan as Whole Time Director of the Company for a period of three years from August 02, 2021 to August 01, 2024	7676470 (99.99%)	292 (0.01%)

9. MEANS OF COMMUNICATION TO SHAREHOLDERS:

The Board believes that effective communication of information is an essential component of corporate governance. The Company regularly interacts with shareholders through multiple channels of communication such as results announcement, annual report, media releases, Company's website and specific communications to Stock Exchanges, where the Company's shares are listed.

A. QUARTERLY RESULTS

The unaudited quarterly financial results of the Company were published in English and Regional newspapers. The results are normally published in English Newspapers viz., The Financial Express and Regional Newspaper viz. Makkal Kural.

B. WEBSITE

The Company has in place a website www.iprings.com. This website contains the basic information about the Company, viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company, who are responsible for assisting and handling investor grievances, such other details as may be required under Regulation 46 of the Listing Regulations. The Company ensures that the contents of this website are periodically updated

10. GENERAL SHAREHOLDER INFORMATION

A. ANNUAL GENERAL MEETING

DAY, DATE AND TIME	Saturday
	12th August 2023, 11.30 A.M.
	Through Video Conferencing/ Other Audio-Visual Means

B. FINANCIAL YEAR PARTICULARS

Financial year	1st April to 31st March
Financial calendar	2022-23
Financial reporting	Financial calendar
For the quarter ending	
30th June 2022	Before 14th August 2023*
30th September 2022	Before 14th November 2023*
31st December 2022	Before 14th February 2024*
31st March 2022	Before 30th May 2024*

* Date will be vary subject to relaxations if made available by SEBI in this regard.

C. OTHER DETAILS

Date of Book Closure	06th August 2023 to 12th August 2023
Record Date / Cut-off Date	5th August 2023
Dividend Payment date	Will be paid with in thirty days of declaration

D. PARTICULARS OF DIVIDEND PAYMENT

The Board of Directors has recommended a payment of dividend of Re.1.00 per equity share (on equity share of face value of Rs.10 each) for the year ended March 31, 2023.

E. LISTING / FEE TO STOCK EXCHANGES

Name & Address of the Stock Exchange	Stock Code
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. India Tel.: 91 22 2272 1233, Fax : 91 22 2272 1919	523638
ISIN allotted by Depositories (Company ID Number)	INE 558 A01019

Annual listing fees for the year 2023-24 were duly paid to the above Stock Exchange.

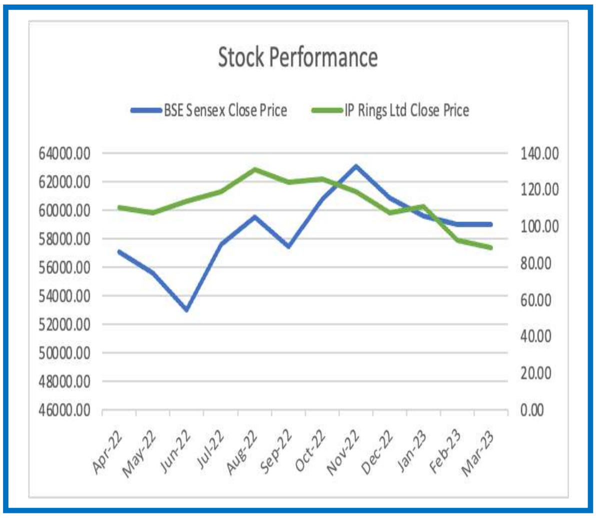
F. CUSTODIAL FEES TO DEPOSITORIES

The fees to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) shall be paid on the receipt of their invoice.

G. MARKET PRICE DATA

MONTH	BSE SENSEX		IP RINGS SHARE PRICE – BSE LIMITED	
	High price (₹)	Low Price (₹)	High (₹)	Low (₹)
Apr'22	60845.1	56009.07	133	107.25
May'22	57184.21	52632.48	114.95	91.5
Jun'22	56432.65	50921.22	114.7	91.5
Jul'22	57619.27	52094.25	131	105.5
Aug'22	60411.2	57367.47	144	115.25
Sep'22	60676.12	56147.23	134	116
Oct'22	60786.7	56683.4	135	120.05
Nov'22	63303.01	60425.47	130	115
Dec'22	63583.07	59754.1	120.5	104
Jan'23	61343.96	58699.2	119.5	103
Feb'23	61682.25	58795.97	114.9	89.95
Mar'23	60498.48	57084.91	97.97	81.01

H. STOCK PERFOMANCE



H. SHARE TRANSFER AGENTS AND SHARE TRANSFER SYSTEM

a. Cameo Corporate Services, egistered with SEBI as Share Transfer Agents in Category II, has been appointed as the STA with a view to rendering prompt and efficient service to the investors and in compliance with Regulation 7 of the Listing Regulations. The shareholders have also been advised about this appointment of STA to handle share registry work pertaining to both physical and electronic segments of the Company.

b. All matters connected with the shares, dividends and other matters are being handled by STA located at the address mentioned in this report.

c. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 15 days. Grievances received from investors are processed by STA within 7 days. Other miscellaneous correspondence relating to change of addresses, mandates etc., is processed by STA within 15 days.

d. Certificates have also been received from a company secretary-in-practice and submitted to the Stock Exchanges, on a quarterly basis, for timely dematerialization of shares of the Company and for reconciliation of the share capital of the Company, as required under SEBI (Depositories and Participants) Regulations, 1996.

e. The Company, as required under Regulation 6(2)(d) of the Listing Regulations, has designated the following e-mail IDs, cs@iprings.com / investor@iprings.com in for the purpose of registering complaints, if any, by the investors and expeditious redressal of their grievances.

f. Shareholders are, therefore, requested to correspond with STA for transmission of shares, change of address and queries pertaining to their shareholding, dividend, etc., at their address given in this Report.

I. CATEGORIES OF SHAREHOLDERS IS AS UNDER AS ON MARCH 31 2023

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2023

CATEGORY OF SHAREHOLDER	AS ON 31ST MARCH 2023		
	NO OF HOLDER	NO. OF SHARES HELD	%
Promoter and Promoter Group Bodies Corporate	5	71,72,057	56.58
Total (A)	**5**	**71,72,057**	**56.58**
Public Shareholding			
Mutual Fund	1	200	0.0015
Total Institutions (B)	**1**	**200**	**0.0015**
Body Corporate	60	1762540	13.93
Individual holding nominal capital in Excess of Rs. 2 Lakhs	17	771668	6.09
Individual holding nominal capital up to of Rs. 2 Lakhs	6130	1993579	15.73
Clearing Member	1	84	0.0006
HUF	194	159520	1.26
Non Resident Indian	66	166542	0.13
Foreign Collaborator	1	704200	5.56
IEPF	1	95475	0.75
Total Institution (C)	**6470**	**5653608**	**43.42**
Total Public Shareholding D (B+C)	**6471**	**5653808**	**43.42**
Grand Total (A +D)	**6476**	**12675865**	**100**

J. DEMATERIALIZATION OF SHARES AND LIQUIDITY

The promoter holding consisting of 71,72,057 Equity Shares of ₹10/- each is in dematerialized form. Out of 55,03,808 Equity Shares of ₹10/- each held by persons other than promoters 53,29,459 Equity Shares have been dematerialized as on 31st March 2023 accounting for 98.62%.

K. DEPOSITORY RECEIPTS

The Company has not issued any Global Depository Receipt / American Depository Receipt/Warrant or any convertible instrument, which is likely to have impact on the Company's Equity.

L. PLANT LOCATION

IP RINGS MAIN PLANT	IP RINGS FORGING PLANT 1	IP RINGS PLANT 2
D 11/12, Industrial Estate	C15/3,Industrial Estate	Plot No. 17, Area II,
Maraimalai Nagar - 603 209	Maraimalai Nagar - 603 209	CMDA Industrial Complex,
Tel: (044) 2745 2816 / 2745 2929		Maraimalai Nagar – 603 209
E-mail: iprmmn@iprings.com		

M. INVESTOR CORRESPONDENCE / GRIEVANCE DETAILS

Registered office	E-Mail for Investors
D 11/12, Industrial Estate	investor@iprings.com
Maraimalai Nagar - 603 209	
Tel: (044) 2745 2816 / 2745 2929	**Website**
E-mail: iprmmn@iprings.com	www.iprings.com

N. SHAREHOLDER CORRESPONDENCE MAY BE DIRECTED TO THE COMPANY'S REGISTRAR AND SHARE TRANSFER AGENT, WHOSE ADDRESS IS GIVEN BELOW:

M/s. Cameo Corporate Services Limited
Unit: IP Rings Limited
#1, Club House Road, Chennai 600 002
Tel: (044) 2846 0390
Fax: (044) 2846 0129
E-mail: investor@cameoindia.com

11. DISCLOSURES

A. DISCLOSURES ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS THAT MAY HAVE POTENTIAL CONFLICT WITH THE INTERESTS OF THE COMPANY AT LARGE

All transactions entered into with related parties (RPTs), as defined under the Act, 2013 and the Listing Regulations during the financial year 2022-23 were in the ordinary course of business and at arm's length and do not attract the provisions of Section 188 of the Act, 2013 and the rules made thereunder.

There were no materially significant transactions with the related parties during the year, which were in conflict of interest, and hence no approval of the Company was required in terms of the Listing Regulations.

The transactions with the related parties, namely its promoters, its holding, subsidiary and associate companies etc., of routine nature have been reported in the Annual Report, as per Indian Accounting Standard 24 (IND AS 24) notified vide the Companies (Indian Accounting Standard) Rules, 2015.

Details of related party transactions are enclosed as part of accounts for the year ended 31st March 2023.

In terms of Regulation 23 of the Listing Regulations, all RPTs for the succeeding financial year, with clear threshold limit, are regularly placed before the Audit Committee meeting convened during last quarter of the

financial year for its approval and recommendation to the Board for its approval, wherever required. RPTs entered during the financial year are reviewed at the same meeting for any upward revision in the threshold limit.

It was also ensured that none of RPTs involving payments with respect to brand usage or royalty during the financial year, exceeded five percent of the annual consolidated turnover of the Company as per the previous audited financial statements of the Company.

B. DETAILS OF NON-COMPLIANCE BY THE COMPANY, PENALTIES, STRICTURES IMPOSED ON THE COMPANY BY STOCK EXCHANGE OR SEBI OR ANY STATUTORY AUTHORITY ON ANY MATTER RELATED TO CAPITAL MARKETS DURING THE LAST THREE YEARS

There were no instances of non-compliance by the Company or penalty and stricture imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities on any matter related to the capital markets, during last three years.

C. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM, WHISTLE BLOWER POLICY AND AFFIRMATION THAT NO PERSONNEL HAS BEEN DENIED ACCESS TO THE AUDIT COMMITTEE

The Company has not received any compliant that are administered by the Vigil Mechanism Policy adopted by the Company. Copy of the said Policy is available on the Company's website in the link is provided in this Annual Report under “Policies”

D. DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS:

The Company has complied with all applicable mandatory requirements in terms of the Listing Regulations. The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed in this Report.

E. WEB LINK WHERE POLICY FOR DETERMINING ‘MATERIAL’ SUBSIDIARIES IS DISCLOSED:

The policies for determining material subsidiaries and related party transactions are available on the Company’s websitewww.iprings.com.

F. WEB LINK WHERE POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS:

During the year, there were no materially significant transactions with related parties that may have potential conflict with the interests of the Company at large.

G. DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES

The company has not entered into any commodity derivatives.

H. DETAILS OF UTILISATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT:

Not Applicable

I. A CERTIFICATE FROM A COMPANY SECRETARY IN PRACTICE THAT NONE OF THE DIRECTORS ON THE BOARD OF THE COMPANY HAVE BEEN DEBARRED OR DISQUALIFIED FROM BEING APPOINTED OR CONTINUING AS DIRECTORS OF COMPANIES BY THE BOARD/MINISTRY OF CORPORATE AFFAIRS OR ANY SUCH STATUTORY AUTHORITY:

The Company has received a certificate from the Secretarial Auditor of the Company stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

J. WHERE THE BOARD HAD NOT ACCEPTED ANY RECOMMENDATION OF ANY COMMITTEE OF THE BOARD WHICH IS MANDATORILY REQUIRED:

NIL

K. TOTAL FEES FOR ALL SERVICES PAID BY THE LISTED ENTITY AND ITS SUBSIDIARIES, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR AND ALL ENTITIES IN THE NETWORK FIRM/NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART:

10.23 Lakhs (Rupees Ten Lakhs and Twenty-Three Thousand)

L. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013~~:~~

Details in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 form a part of the Board Report

M. DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF 'LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT

The Company has not provided any loans or advances in the nature of loans to firms/ companies in which Directors are interested.

N. DISCLOSURE OF ACCOUNTING TREATMENT

Pursuant to the notification, issued by the Ministry of Corporate Affairs dated February 16, 2015 relating to the Companies (Indian Accounting Standards) Rules, 2015, the Company has adopted "IND AS" with effect from 01st April 2016. Accordingly, the financial statements for the year 2022-23 have been prepared in compliance with the said Rules

O. CEO AND CFO CERTIFICATION

The Managing Director and CEO and Chief Financial Officer of the Company have certified to the Board on financial and other matters in accordance with Regulation 33 of the Listing Regulations for the financial year ended 31st March 2023.

P. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In compliance with SEBI (Prohibition of Insider Trading) Regulations 2015, as amended, the Company has a comprehensive Code of Conduct for Prevention of Insider Trading and the same is being strictly adhered to by the designated persons as defined under this Code.

The Board adopts the Code of Practices and Procedures for fair disclosure of "Unpublished Price Sensitive Information" (UPSI) and the Code of Conduct to regulate, monitor and report trading by insiders to maintain consistency and statutory amendments to be reflected in the policies and to make it upto date and more comprehensive.

The Code expressly lays down the guidelines and the procedures to be followed and disclosures to be made, while dealing with the shares of the Company.

The Company follows closure of trading window from the end of every quarter till 48 hours after the declaration of financial results. The Company has been advising the Designated Persons covered by the Code not to trade in Company's securities during the closure of trading window period.

Q. DISCLOSURE ON COMPLIANCE WITH THE ISSUE OF DEBT SECURITIES FOR INCREMENTAL BORROWINGS BY LARGE CORPORATE

As on March 31, 2023 the Company was not considered as Large Corporate and the necessary Disclosures were filed with BSE to that effect.

12. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT

None

13. DISCLOSURES RELATING TO ADOPTION OF DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (LISTING REGULATIONS):

None

14. THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46 OF LISTING REGULATIONS:

DISCLOSURE ON WEBSITE IN TERMS OF LISTING REGULATIONS

ITEM	COMPLIANCE STATUS (YES/NO/NA)
Details of business	yes
Terms and conditions of appointment of Independent Directors	yes
Composition of various committees of Board of Directors	yes
Code of conduct of Board of Directors and Senior Management Personnel	yes
Details of establishment of vigil mechanism/Whistle Blower policy	yes
Criteria of making payments to Non-Executive Directors	yes
Policy on dealing with related party transactions	yes
Details of familiarization programs imparted to Independent Directors	yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances other relevant details	yes
Email address for grievance redressal and other relevant details entity who are responsible for	yes

assisting and handling investor grievances	
Financial results	yes
Shareholding pattern	yes
Details of agreements entered into with the media companies and/or their associates	yes
New name and the old name of the listed entity	Not Applicable
Advertisements as per regulation 47 (1)	yes

ANNUAL AFFIRMATIONS

PARTICULARS	REGULATION NUMBER	COMPLIANCE STATUS (YES/NO/NA)
Independent Director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1), 17(1A) & 17(1B)	Yes
Meeting of Board of Directors	17(2)	Yes
Quorum of Board meeting	17(2A)	Yes
Review of Compliance Reports	17(3)	Yes
Code of Conduct Fees/compensation	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Recommendation of Board	17(11)	Yes
Maximum number of directorship	17A	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & (2)	Yes
Quorum of Nomination and Remuneration Committee meeting	19(2A)	Yes
Meeting of nomination & remuneration committee	19(3A)	Yes
Composition of Stakeholder Relationship Committee	20(1), 20(2) and 20(2A)	Yes
Meeting of stakeholder relationship committee	20(3A)	Yes
Policy for related party Transaction	23(1), (1A), (5), (6), (7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Annual Secretarial Compliance Report	24(A)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarisation of independent directors	25(7)	Yes
Declaration from Independent Director	25(8) & (9)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes

15. NON-MANDATORY DISCLOSURES

A. SHAREHOLDER RIGHTS

The results of the Company are published in newspapers as soon as they are approved by the Board and are also uploaded on the Company's website namely www.iprings.com. The results are not sent to the shareholders individually.

B. AUDIT QUALIFICATIONS

The financial statements of the Company are unmodified.

C. REPORTING OF INTERNAL AUDITOR

The internal auditor is regularly reporting his observations directly to the audit committee.

D. REQUEST TO SHAREHOLDERS

Shareholders are requested to follow the general safeguards / procedures as detailed hereunder in order for the Company to serve them efficiently and avoid risks while dealing in the securities of the Company.

E. REGISTRATION OF ELECTRONIC CLEARING SERVICE (ECS) MANDATE

SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories for payment of dividend through ECS to investors wherever ECS and bank details are available. The Company will not entertain any direct request from Members holding shares in electronic mode for deletion of / change in such bank details. Members who wish to change such bank account details are therefore requested to advise their DPs about such change, with complete details of bank account.

ECS helps in quick remittance of dividend without possible loss/delay in postal transit. Shareholders, who have not earlier availed this facility, are requested to register their ECS details with the STA or their respective DPs.

F. TRANSFER OF SHARES IN PHYSICAL MODE

SEBI has amended relevant provisions of the Listing Regulations to disallow listed companies from accepting request for transfer of securities which are held in physical form with effect from April 1, 2019.

The shareholders, who continue to hold shares in physical form even after this date, will not be able to lodge the shares with the Company for further transfer. Therefore, such shareholders will need to convert them to Demat form compulsorily if they wish to effect any transfer. Only the requests for transmission and transposition of securities in physical form will be accepted by the Company.

The Company has sent registered post with necessary enclosures for updating / filing relevant details who held shares in physical mode.

G. UPDATION OF ADDRESS

Shareholders are requested to update their addresses registered with the Company, directly through the STA, to receive all communications promptly.

Shareholders, holding shares in electronic form, are requested to deal only with their DPs in respect of change of address and furnishing bank account number, etc.

H. SMS ALERTS

Shareholders are requested to note that NSDL and CDSL have announced the launch of SMS alert facility for Demat account holders whereby shareholders will receive alerts for debits / credits (transfers) to their Demat accounts a day after the transaction. These alerts will be sent to those account holders who have provided their mobile numbers to their DPs. No charge will be levied by NSDL / CDSL on DPs providing this facility to investors. This facility will be available to investors who request for the same and provide their mobile numbers to the DPs. Further information is available on the website of NSDL and CDSL namely www.nsdl.co.in and www.cdslindia.com respectively.

I. TIMELY ENCASHMENT OF DIVIDENDS

Shareholders are requested to encash their dividends promptly to avoid hassles of revalidation. As required by SEBI, shareholders are requested to furnish details of their bank account number and name and address of the bank for incorporating the same in the warrants. This would avoid wrong credits being obtained by unauthorized persons.

Shareholders are requested to note that the dividends, not claimed for a period of seven years from the date they first became due for payment, shall be transferred to IEPF in terms of Section 124(6) of the Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority.

J. TRANSFER OF SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF) AUTHORITY

As per Section 124(6) of the Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended from time to time, all the shares in respect of which dividend has remained unpaid/ unclaimed for seven consecutive years or more are required to be transferred to a Demat Account opened in the name of IEPF Authority with Punjab National Bank by the Ministry of Corporate Affairs.

In case the dividends are not claimed within the due date(s) mentioned above, necessary steps will be initiated by the Company to transfer shares held by the members to IEPF. Please note that no claim shall lie against the Company in respect of the shares so transferred to IEPF. As required under the said provisions, all subsequent corporate benefits that accrues in relation to the above shares will also be credited to the said IEPF Account.

In the event of transfer of shares and the unclaimed dividends to IEPF, shareholders are entitled to claim the same from IEPF by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF-5, as per the following procedures:

1. Download the Form IEPF - 5 Web from the website of IEPF (http://www.iepf.gov.in) for filling the claim for refund of shares and dividends.

2. Read the instructions provided on the website / instructions kit along with the e-form carefully before filling the form.

3. After filling/completing the form save it on your computer and submit the duly completed form by following the instructions given in the upload link on the website.

4. On successful uploading, the acknowledgment will be generated indicating the SRN. This SRN is to be used for future tracking of the form.

5. Printout of the duly completed IEPF - 5 and the acknowledgment issued after uploading the form will have to be submitted together with an Indemnity Bond in original along with the other documents as mentioned in the Form IEPF-5 to the Nodal Officer of the Company in an envelope marked "Claim for refund from IEPF Authority".

In the process, general information about the Company which has to be provided is as under.

(a) Corporate Identification Number (CIN) of Company - L28920TN1991PLC020232

(b) Name of the company - IP RINGS LIMITED

(c) Address of Registered Office of the Company - D 11/ 12, Industrial Estate,
Maraimalai Nagar – 603 209
Chengalpattu District,
Tamil Nadu, India

(d) email ID of the company - investor@iprings.com

Pursuant to Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amount lying with companies) Rules, 2012, the Company shall provide/host the required details of unclaimed dividend amount referred in relevant sections of the Act, 2013 on its website and also in the Ministry of Corporate Affairs website in the relevant form every year.

For and on behalf of the Board

M Govindarajan
(DIN 09264840)
Whole Time Director
Chennai
May 26, 2023

For and on behalf of the Board

A Venkataramani
(DIN 00277816)
Managing Director
Chennai
May 26, 2022

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

To
The Shareholders of IP Rings Limited,
Chennai

As required under regulation 17(5) & 26(3) of Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations,2015 and other applicable provisions, I hereby confirm that the members of Board of Directors and Senior Management Personnel of IP Rings Limited have affirmed compliance with the Code of Conduct of the Company in respect of the year ended 31st March 2023 of SEBI (LODR) Regulations, 2015.

(By Order of the Board)

For IP RINGS LIMITED

Chennai
May 26, 2023

A Venkataramani
Managing Director
[DIN: 00277816]

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,

The Board of Directors
IP Rings Limited
D 11/12, Industrial Estate
Maraimalai Nagar, 603 209

We certify that we have reviewed the financial statements prepared based on the Indian Accounting Standards for the year ended 31st March 2023 and to the best of our knowledge and belief:

1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

2. these statements together present a true and fair view of the Company's affairs and are in compliance with applicable Indian Accounting Standards, Laws and Regulations.

3. No transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct.

4. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.

5. We have indicated to the Auditors and the Audit Committee:

   a) significant changes, if any, in internal control over financial reporting during the year;

   b) significant changes in accounting policies, if any, during the year and that the same have been disclosed in the notes to the financial statements; and

   c) that there were no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

A Venkataramani
Managing Director

R Venkataraman
Chief Financial Officer

Chennai
May 26, 2023

AUDITOR'S CERTIFICATE ON COMPLIANCE OF THE PROVISONS OF THE CODE OF CORPORATE GOVERNANCE

INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS PER PROVISIONS OF CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (AS AMENDED)

TO THE MEMBERS OF IP RINGS LIMITED

1. We, M.S.Krishnaswami & Rajan, Chartered Accountants, the Statutory Auditors of IP Rings Limited (the "Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditors' Responsibility

4. Our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the condition of Corporate Governance, as stipulated in the Listing Regulations.

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include but not limited to verification of secretarial records and financial information of the Company and obtaining necessary representations and declarations from directors including independent directors of the Company.

8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2023, referred to in paragraph 1 above, except for the delay in filing the related party transaction disclosure under regulation 23.

Other Matters and Restriction on use

10. This Report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

11. This Report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Report for events and circumstances occurring after the date of this Report.

For M.S.Krishnaswami & Rajan
Chartered Accountants
Firm Registration No.01554S

M.S.Murali –Partner
Membership No.26453
UDIN: 23026453BGWYSA1847

Chennai
26-05-2023

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(PURSUANT TO REGULATION 34(3) AND SCHEDULE V PARA C CLAUSE (10) (I) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

To
The Members
IP Rings Limited
D 11/12, Industrial Estate,
Maraimalai Nagar – 603 209

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of IP Rings Limited having CIN : L28920TN1991PLC020232 and having Registered Office at D-11/12, Industrial Estate, Maraimalai Nagar – 603 209 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para-C, Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sl. No	Name of the Director	DIN	Date of Appointment in the Company	Date of Cessation in the Company
1	A Venkataramani	00277816	27.10.2010	NA
2	Sandhya Shekhar	06986369	30.09.2014	NA
3	Vikram Vijayaraghavan	01944894	16.05.2019	NA
4	Navin Paul	00424944	07.11.2019	NA
5	M Govindarajan	09264840	02.08.2021	NA
6	Ryosuke Hasumi	09368134	01.11.2021	NA

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

R Mukundan
Company Secretary in Practice

UDIN: A007876E000304251
Peer Review Cert. No. 2977/2023

Place: Chennai
Date: 14.05.2023

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IP RINGS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **IP RINGS LIMITED** ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023, the Standalone Statement of Profit and Loss(including Other Comprehensive Income), Standalone Statement of Changes in Equity and Standalone Statement of Cash flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act 2013 ('the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended ('IND AS") and other Accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter Description	Response to Key Audit Matter
Revenue Recognition Reference may be made to Note 57(10) of significant accounting policies and Note 22 and 29 to the standalone financial statements of the Company. Revenue recognition is inherently an area of audit risk, which we have focused on mainly covering the aspects of cut off. Considering the above, impact of Ind AS 115 and cut-off are considered by us as key audit matters.	**Principal Audit Procedures** Our audit procedures relating to revenue comprised of test of controls and substantive procedures including the following: i. We performed procedures to assess the design and internal controls established by the management and tested the operating effectiveness of relevant controls related to the recognition of revenue. ii. Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination

	of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. iii. We have tested, on a sample basis, whether specific revenue transactions around the reporting date has been recognised in the appropriate period by comparing the transactions selected with relevant underlying documentation, including goods delivery notes, customer acknowledgement/proof of acceptance and the terms of sales. iv. We have also validated subsequent credit notes and sales returns up to the date of this Report to ensure the appropriateness and accuracy of the revenue recognition. v. We tested journal entries on a sample basis to identify any unusual or irregular items. vi. We also considered the adequacy of the disclosures in Company's financial statements in relation to Ind AS 115 and were satisfied they meet the disclosure requirements. ***Conclusion*** Based on the procedures performed above, we did not find any material exceptions with regards to timing of revenue recognition and disclosure requirement of Ind AS 115 in the financial statements.
Impairment in Trade Receivables Reference may be made to Note 5 to the standalone financial statements of the Company. The Company is exposed to potential risk of financial loss when there is the risk of default on receivables from the customers for which the Management would make specific provision against individual balances with reference to the recoverable amount. Such provision/allowance for credit losses is based on historical experience adjusted to reflect current and estimated future economic conditions. For the purpose of impairment assessment, significant judgements and assumptions, including the credit risks of customers, the timing and amount of realization of these receivables, are required for the identification of impairment events and the determination of the impairment charge. In view of the above, we identified allowance for credit losses as a key audit matter since significant judgement is exercised in calculating the expected credit losses/impairment charge.	**Principal Audit Procedures** We have performed the following procedures in relation to the recoverability of trade receivables and computing allowance for credit losses : • Tested the effectiveness of the control over the methodology for computing the allowance for credit losses, including consideration of the economic conditions and completeness and accuracy of information used in the estimation of probability of default. Tested the accuracy of aging of trade receivables at year end on a sample basis. • Obtained a list of outstanding receivables and identified any debtors with financial difficulty through discussion with management. • Assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers

	and to consider if any additional provision should be made; • Tested subsequent settlement of trade receivables after the balance sheet date on a sample basis. **Conclusion** Based on the above procedures we found the key judgements and assumptions used by management in the recoverability assessment of trade receivables to be supportable based on the available evidence and consequently are satisfied on the sufficiency of provisions/allowance for credit losses.
Allowance for inventory obsolescence Refer to note 57(8)(b) of the standalone financial statements. The Company holds significant inventories and records allowance for identified and estimated inventory obsolescence. As at 31st March 2023, the Company had inventories of Rs.5,972.34 lakhs. The Company provides for obsolescence of Inventory considering the inventory on hand, existing/probable customer orders, the production plan, expected utilisation in production and expected sales. Further the estimates are validated by technological changes/legislative changes in the auto business and trends of the obsolescence in the past. The obsolescence covers inventory under Raw material, work-in-progress, and finished goods. Given the significant judgment involved in management's assessment, the allowance for inventory obsolescence is identified as a key audit matter	**Our audit procedures in respect of this matter included:** Understood management policy and process for identification of providing of obsolete inventory, including performing testing of controls to assess the effectiveness of the same. Reviewed the management's judgement applied in calculating the value of inventory obsolescence, taking into consideration the expected changes in auto industry and management assessment of the present and future condition of the inventory. Assessed the adequacy of the relevant disclosure in the notes to the financial statements. **Conclusion** Based on the above procedures performed, we consider the provision for inventory obsolescence to be reasonable.

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

The Company's Board of Directors is responsible for the preparation of other information in their Report to members, etc. The other information comprises the information included in the Annual report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Management's Responsibility for the Standalone Financial Statements.

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section143 (3) of the Companies Act, 2013, based on our audit we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss including other Comprehensive income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with the relevant rules issued thereunder.

e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2023 from being appointed as a director in terms of Section164(2) of the Companies Act, 2013.

f. With respect to the adequacy of the Internal Financial Controls Over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

g. With respect to the 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, remuneration paid by the company to it's directors during the year is in compliance with the provisions of Section 197, read with Schedule V of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanation given to us:

   (i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. (Refer Note 30)

   (ii) The company has long-term contracts including derivative contracts for which there were no material foreseeable losses as at March 31,2023.

(iii) There were no amount 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 it's knowledge and belief, as disclosed in the note 49 to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 it's knowledge and belief, as disclosed in the note 49 to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 mis-statement.

(v) The final dividend declared for the previous year and paid by the Company during the year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
As stated in note 10.7 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend so proposed is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

(vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2.As required by the Companies (Auditor's Report) Order,2016 ("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 M.S. Krishnaswami & Rajan
Chartered Accountants
Registration No. 01554S

M.S. Murali - *Partner*
Membership No. 26453
UDIN: 23026453BGWYRY6257
May 26,2023
Chennai

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of IP RINGS LIMITED)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls Over Financial Reporting of **IP RINGS LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has maintained, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2023, 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

For M.S.Krishnaswami & Rajan
Chartered Accountants
Registration No. 01554S

M.S. Murali - *Partner*
Membership No. 26453
UDIN: 23026453BGWYRY6257
May 26,2023
Chennai

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of IP RINGS LIMITED ("the Company") for the year ended March 31, 2023).

1. In respect of the Company's Property, Plant and Equipment:

   a) (i) 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 but the situation of the assets needs to be updated in certain cases.

      (ii) The company has maintained proper records showing full particulars of intangible assets.

   b) The Company has a programme of verification to cover all the items of Property, Plant and Equipment and right of use assets in a phased manner covering all assets once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanation given to us, no material discrepancies were noticed during the year on such verification.

   c) According to the information and explanations given to us and the records examined by us we report that title deeds of all freehold immovable property belonging to the Company are held in the name of the Company as at the end of the year. In respect of properties where the company is the lessee including building constructed on leasehold land, the lease agreement is in the name of the Company.

   d) The Company has not revalued its Property, Plant and Equipment (including right- of- use assets) or intangible assets during the year.

   e) No proceedings have been initiated during the year or are pending against the company as at March 31,2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2. (a) As explained to us, inventories, other than the Goods in transit, have been physically verified at periodic intervals by the management. The coverage and procedure of such verification by the management were, in our opinion, appropriate. Discrepancies (of 10% or more in value, in the aggregate for each class of inventory) were noticed on such physical verification and the said discrepancies has been properly accounted in the books of accounts.

(b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, during the year by banks or financial institutions on the basis of security of current assets during the year and the quarterly returns or statements, filed by the company with such banks or financial institutions are materially in agreement with the books of account of the Company.

3. The Company has not made investment 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, during the year and hence the provisions of clause 3(iii)(a), (c), (d), (e) and (f) are not applicable to the Company.

4. According to information and explanation given to us, the Company has not granted any loans, secured or unsecured, furnished guarantees or provided security to any party covered by provisions of sections 185 and 186 of the Companies Act, 2013.Hence reporting on whether there is a compliance with the said provisions does not arise. In respect of Investments made, the provisions of Section 186 of the Companies Act, 2013 has been complied with.

5. According to information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year and there are no unclaimed deposits as at March 31,2023 to which the provisions of section 73 to 76 or any other relevant provisions of the Companies Act are applicable. Accordingly, the provisions of clause (v) of paragraph 3 of the Order is not applicable to the Company.

6. As per the information and explanation given to us, the maintenance of the cost records has been specified by the Central Government under Section 148(1) of the Act. We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as amended and prescribed by the Central Government under Section 148(1) of the Act and we are of opinion that prima facie, the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of Cost records with a view to determine whether they are accurate and complete.

7. According to the information and explanations given to us and the books of account examined by us, in respect of statutory dues:

   (i) the company is generally regular in depositing material amounts of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Goods and Service tax, duty of customs, duty of excise, value added tax, Cess, and other material statutory dues as applicable to the appropriate authorities during the year. There were no material undisputed amounts payable in respect of the aforesaid statutory dues outstanding as at March 31, 2023, for a period of more than six months from the date they became payable.

   (ii) there are no statutory dues referred to in above sub-clause, which have not been deposited on account of any dispute with the relevant authorities, except dues of Income tax, Provident fund dues and Value added tax that have not been deposited on account of disputes as detailed hereunder:

NAME OF THE STATUTE	NATURE OF DUES	AMOUNT (IN RS. LAKHS) OF DISPUTED DUES	PERIOD TO WHICH THE AMOUNT RELATES	FORUM WHERE DISPUTE IS PENDING
Income Tax Act, 1961	Interest on Income tax	21.10	AY 2018-19	CIT (Appeals)
Employees` Provident Funds and Miscellaneous Provisions Act,1952	Interest/ Damages	22.44	FY 2014-15	Employees` Provident Fund Tribunal, Tamil Nadu.
The Tamil Nadu Value Added Tax Act, 2006	Value Added Tax	1.30	FY 2007-08	Appellate Deputy Commissioner

For the above purposes, demand for income tax dues has been arrived based on orders received even though not given effect to by the Income Tax Department.

8. As per the information and explanation given to us, there were no transactions previously not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9. (a) In our opinion and according to information and explanation given to us, the Company has not defaulted in repayment of dues to any lender. The Company does not have any borrowings from Government or by way of Debentures.

   (b) As per the information and explanation given to us, the company has not been declared wilful defaulter by any bank or financial institution or other lender.

   (c) As per the information and explanation given to us, the monies raised by way of term loans have been applied for the purposes for which they were obtained.

   (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.

   (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its joint venture. The Company does not have subsidiaries or associates.

   (f) The company has not raised any loans during the year on the pledge of securities held in its joint venture company.

10. (a) As per the information and explanation given to us, the Company has not raised any monies by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under the provisions of Clause 3(x)(a) of the Order does not arise.

    (b) During the year, the Company has not made any preferential allotment or private placement of shares (covered by section 42 and section 62 (1)c of the Companies Act, 2013) or fully or partly convertible debentures and hence reporting under clause 3(x)(b) of the Order is not applicable.

11. (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) As per the information and explanation given to us, there are no whistle-blower complaints received during the year by the company up to the date of this report.

12. The Company is not a Nidhi Company and accordingly the provisions of Clause 3(xii) of the Order is not applicable to the Company.

13. In our opinion and according to the information and explanations given to us all transactions with related parties are in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable. The details of the transactions during the year have been disclosed in the Standalone Financial Statements as required by the applicable Accounting Standards. (Refer note 47 to Standalone Financial Statements).

14. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

    (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year, in determining the nature, timing and extent of our audit procedures.

15. In our opinion, the Company has not entered into any non-cash transactions during the year, 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.

16. The Company is not required to be registered under section 45 - IA of the Reserve Bank of India Act, 1934 and it is not a Core Investment Company. Accordingly, the provisions of Clause 3(xvi) (a),(b),(c) and (d) of the Order is not applicable to the Company.

17. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

18. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, the provisions of Clause 3(xviii) of the Order are not applicable to the Company.

19. According to the information and explanations given to us and on the basis of (i) the financial ratios, (ii) ageing and expected dates of realization of financial assets and payment of financial liabilities, (iii) other information accompanying the financial statements, (iv) our knowledge of the Board of Directors and management plans and (v) 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 the 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.

20. There are no unspent amounts towards Corporate Social Responsibility (CSR). Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year.

21. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Ind AS Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For M.S.Krishnaswami & Rajan
Chartered Accountants
Registration No. 01554S

M.S. Murali - *Partner*
Membership No. 26453
UDIN: 23026453BGWYRY6257
May 26, 2023
Chennai

STANDALONE BALANCE SHEET

PARTICULARS	Note No.	As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
ASSETS			
Non-current assets			
Property, Plant and Equipment	1A	14534.89	14,599.83
Capital work-in-progress	1A	209.56	454.47
Right-of-use assets	1B	591.69	495.02
Intangible assets	1C	244.25	317.01
Financial assets			
- Investments	2A	101.77	51.76
- Other Financial Assets	2B	101.50	197.56
Income tax assets (net)	2C	204.40	121.67
Other non-current assets	3	199.28	237.08
Current assets			
Inventories	4	5972.34	5,285.29
Financial assets			
(i) Trade receivables	5	7565.03	6,728.25
(ii) Cash and cash equivalents	6	551.64	339.84
(iii) Bank balances other than (ii) above	7	45.70	8.13
(iv) Other financial assets	8	375.41	143.80
Current Tax Assets	9	214.75	214.75
Other current assets	9A	688.80	876.34
TOTAL ASSETS		31,601.01	30,070.80
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	10	1267.59	1,267.59
Other equity	11	9831.01	9,917.80
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	12	4131.42	5,046.83
(ii) Lease liabilities	13	406.46	452.79
(iii) Other financial liabilities	13	-	7.62
Provisions	14	137.77	122.67
Deferred tax liabilities (Net)	15	264.61	250.89
Current liabilities			
Financial liabilities			
(i) Borrowings	16	5460.96	5,758.34
(ii) Lease liabilities	17	139.29	81.66
(iii)Trade payables	18		
a) Total outstanding dues of Micro and Small Enterprises		1018.50	296.42
b) Total outstanding dues other than Micro and Small Enterprises		8180.93	6,020.93
(iv) Other financial liabilities	19	625.09	607.04
Other current liabilities	20	110.52	215.83
Provisions	21	26.86	24.39
TOTAL EQUITY AND LIABILITIES		31,601.01	30,070.80

The accompanying notes form an integral part of the Standalone financial statements
This is the Balance sheet referred to in our Report of even date

For M S Krishnaswami & Rajan
Chartered Accountants
Firm Registration No: 01554S

M S Murali
Partner
Membership No. 26453
UDIN: 23026453BGWYRY6257

Chennai
26-May-2023

A VENKATARAMANI
Managing Director
DIN: 00277816

R. VENKATARAMAN
Chief Financial Officer

M. GOVINDARAJAN
Director
DIN: 09264840

VIKRAM VIJAYARAGHAVAN
Director
DIN: 01944894

K PREMNATHA
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS

Particulars	Note No.	For the year Ended March 31, 2023 ₹ In Lakhs	For the year Ended March 31, 2022 ₹ In Lakhs
Income			
Revenue From Operations	22	32,329.56	27,271.49
Other Income	23	334.23	229.35
Total Income		32,663.79	27,500.84
Expenses			
Cost of Materials Consumed	24	11,820.43	9,262.68
Changes in Inventories of Finished goods and Work-in-Progress	25	(571.05)	(1,075.23)
Employee Benefits Expense	26	3,004.13	2,876.43
Finance Costs	27	1086.98	1,002.29
Depreciation and Amortization Expense	1.A,1.B,1.C	1594.79	1,434.18
Other Expenses	28	15,489.89	12,895.46
Total Expenses		32,425.17	26,395.81
Profit/ (loss) before exceptional items and tax		238.62	1,105.03
Exceptional items		-	-
Profit/ (loss) before tax		238.62	1,105.03
Tax Expense:			
Current tax - Current Year		44.65	186.73
- Previous Year		3.80	15.20
MAT Credit Entitlement		(48.45)	(189.66)
Deferred tax		65.02	271.28
Total Tax expense		65.02	283.55
Profit/ (loss) for the year	(A)	173.60	821.48
Other Comprehensive Income (OCI)			
A. I. Items that will not be reclassified to Profit or Loss			
– Remeasurement of Defined Benefit Plans		(10.23)	20.32
– Fair valuation of investments valued through OCI- Gain/(Loss)		0.51	0.08
II. Income tax relating to items that will not be reclassified to Profit or Loss		2.85	(5.65)
B. I. Items that will be reclassified to profit or loss			
– Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		-	-
Total Other Comprehensive Income	(B)	(6.87)	14.75
Total Comprehensive Income	(A+B)	166.73	836.23
Profit / (loss) attributable to equity share holders		173.60	821.48
Earnings per Equity Share, Face Value of the Share Rs.10/-			
- Basic & Diluted	44	1.37	6.48

The accompanying notes form an integral part of the Standalone financial statements
This is the Statement of Profit and loss referred to in our Report of even date

For M S Krishnaswami & Rajan
Chartered Accountants
Firm Registration No: 01554S

M S Murali
Partner
Membership No. 26453
UDIN: 23026453BGWYRY6257
Chennai
26-May-2023

A VENKATARAMANI
Managing Director
DIN: 00277816

R. VENKATARAMAN
Chief Financial Officer

M. GOVINDARAJAN
Director
DIN: 09264840

VIKRAM VIJAYARAGHAVAN
Director
DIN: 01944894

K PREMNATHA
Company Secretary

STANDALONE CASH FLOW STATEMENT

PARTICULARS		For the year Ended March 31, 2023 ₹ In Lakhs	For the year Ended March 31, 2022 ₹ In Lakhs
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/ (Loss) before tax		238.62	1,105.03
Adjustments for :			
Provision for Doubtful debts made – Net		39.09	(14.95)
Bad debts written off		0.14	4.12
Provision for Inventory		-	8.28
Unrealized exchange fluctuation		44.40	81.92
Depreciation		1,594.79	1,434.18
Interest Expense		1,086.98	1,002.29
Interest Income		(148.99)	(60.05)
Loss/(Profit) on sale of fixed assets		7.99	(0.25)
Operating profit/(Loss) before working capital changes		2,863.02	3,560.57
Adjustments for changes in:			
(Increase)/ Decrease in Trade receivables		(907.76)	(1,121.23)
(Increase)/ Decrease in Inventories		(687.05)	(572.90)
(Increase) /Decrease in Other Financial Assets		(78.55)	(15.35)
(Increase)/Decrease in Other Current Assets		187.54	(278.68)
Increase / (Decrease) in Non Current provisions		15.10	21.79
Increase / (Decrease) in Trade Payables		2,887.31	990.77
Increase / (Decrease) in Other Financial Liabilities		168.50	(206.90)
Increase /(Decrease) in Other Current Liabilities		(105.31)	66.92
Increase / (Decrease) in Current Provisions		2.47	(14.86)
Cash flow from operations		4,345.27	2,430.13
Income Tax paid		(131.18)	(153.20)
NET CASH FLOW FROM OPERATING ACTIVITIES	[A]	4,214.09	2,276.93
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for acquisition of assets – Net		(1,228.86)	(2,638.82)
Receipts from disposal of fixed Assets		25.42	0.50
(Increase) / Decrease in Other Non Current Assets - Capital advances		37.80	202.81
Increase / (Decrease) in Capital Creditors		(205.89)	(227.07)
Interest received		148.99	60.05
Investment in joint venture		(49.50)	(50.50)
NET CASH FLOW (USED IN) INVESTING ACTIVITIES	[B]	(1,272.04)	(2,653.03)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Long term borrowings		1,745.15	3,315.40
Repayment of long term borrowings		(2,368.96)	(1,442.91)
Proceeds from short term borrowings		1,935.62	2,088.98
Repayment of short term borrowings		(2542.46)	(2,475.48)
Interest paid		(1,041.91)	(955.98)
Investment in fixed deposit		(57.00)	(155.00)
Payment of Dividend*		(253.52)	(190.14)
Payment of lease liability		(147.17)	(127.14)
NET CASH FLOW FROM FINANCING ACTIVITIES	[C]	(2,730.25)	57.73

STANDALONE CASH FLOW STATEMENT

Particulars		For the year Ended March 31, 2023 ₹ In Lakhs	For the year Ended March 31, 2022 ₹ In Lakhs
NET CASH INFLOW	**[A+B+C]**	**211.80**	**(318.37)**
Opening Cash and Cash Equivalents	**[D]**	**339.84**	**658.21**
Closing Cash and Cash Equivalents	**[E]**	**551.64**	**339.84**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**[E-D]**	**211.80**	**(318.37)**

*Net of earmarked balances

Previous figures have been regrouped/reclassified wherever necessary

The accompanying notes form an integral part of the Standalone financial statements

This is the Cash Flow Statement referred to in our Report of even date

For M S Krishnaswami & Rajan
Chartered Accountants
Firm Registration No: 01554S

A VENKATARAMANI
Managing Director
DIN: 00277816

R. VENKATARAMAN
Chief Financial Officer

M S Murali
Partner
Membership No. 26453
UDIN: 23026453BGWYRY6257

M. GOVINDARAJAN
Director
DIN: 09264840

VIKRAM VIJAYARAGHAVAN
Director
DIN: 01944894

Chennai
26-May-2023

K PREMNATHA
Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED MARCH 31, 2023

A. Equity Share Capital (₹ In Lakhs)

Balance as at April 01, 2022	Changes in Equity Share Capital due to prior period errors	Restated Balance as at April 01, 2022	Changes in equity share capital during the year	Balance as at March 31, 2023
1,267.59	-	1,267.59	-	1,267.59

Balance as at April 01, 2021	Changes in Equity Share Capital due to prior period errors	Restated Balance as at April 01, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022
1,267.59	-	1,267.59	-	1,267.59

B. Other Equity

PARTICULARS	Reserves & Surplus			Items of other comprehensive Income		Total
	General Reserve	Securities Premium Reserve	Retained Earnings	Remeasurement of defined benefit plans	Fair Value Adjustment for investment	
Balance as at April 01,2022	**3,015.27**	**5,302.25**	**1,724.59**	**(124.12)**	**(0.19)**	**9,917.80**
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance as at April 1, 2022	3,015.27	5,302.25	1,724.59	(124.12)	(0.19)	9,917.80
Total Comprehensive Income for the current year	-	-	173.60	(7.38)	0.51	166.73
Dividends			(253.52)			(253.52)
Balance as at March 31, 2023	**3,015.27**	**5,302.25**	**1,644.67**	**(131.50)**	**0.32**	**9,831.01**
Balance as at April 01, 2021	**3,015.27**	**5,302.25**	**1,093.25**	**(138.79)**	**(0.27)**	**9271.71**
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance as at April 1, 2021	3,015.27	5,302.25	1,093.25	(138.79)	(0.27)	9271.71
Total Comprehensive Income for the current year	-	-	821.48	14.67	0.08	836.23
Dividends	-	-	(190.14)	-	-	(190.14)
Balance as at March 31, 2022	**3,015.27**	**5,302.25**	**1,724.59**	**(124.12)**	**(0.19)**	**9,917.80**

a) In accordance with provisions of Para 122 of Ind AS 19, the company has transferred all re-measurement costs recognised in the past periods upto April 1, 2015 within the accumulated profit or loss (a component of equity).

b) The above amount (other than the balance in Securities Premium Reserve) are generally available for distribution of dividend subject to the provisions of the Companies Act, 2013.

C) Share application money pending allotment, Equity component of Compound financial instruments, Capital Reserves, Securities Premium, Debt/ Equity Instruments through OCI, Effective portion of Cash Flow hedges, Revaluation surplus etc. Rs. Nil (FY 2021-22 Rs.Nil

This is the Statement of Changes in Equity referred to in our Report of even date

For M S Krishnaswami & Rajan
Chartered Accountants
Firm Registration No: 01554S

A VENKATARAMANI
Managing Director
DIN: 00277816

R. VENKATARAMAN
Chief Financial Officer

M S Murali
Partner
Membership No. 26453
UDIN: 23026453BGWYRY6257

M. GOVINDARAJAN
Director
DIN: 09264840

VIKRAM VIJAYARAGHAVAN
Director
DIN: 01944894

Chennai
26-May-2023

K PREMNATHA
Company Secretary

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

1.A PROPERTY, PLANT AND EQUIPMENT (PPE)

(2022- 23 ₹ In Lakhs)

DESCRIPTION	GROSS CARRYING AMOUNT				DEPRECIATION / IMPAIRMENT				NET CARRYING AMOUNT
PROPERTY, PLANT AND EQUIPMENT	**01.04.2022**	**Additions / Adjustments**	**(Disposals)**	**31.03.2023**	**Upto 31.03.2022**	**Charge during the year**	**(Disposals)**	**Upto 31.03.2023**	**As at 31.03.2023**
Land - Freehold	**33.90**	-	-	**33.90**	-	-	-	-	**33.90**
Buildings	**2,642.96**	56.77	-	**2,699.73**	505.10	100.13	-	605.23	**2,094.50**
Plant & Machinery	**16,442.19**	811.51	-	**17,253.70**	5,075.42	1,041.82	-	6,117.24	**11,136.46**
Electrical Installations	**1,089.79**	70.48	-	**1,160.27**	397.36	86.03	-	483.39	**676.88**
Furniture & Fixtures	**116.71**	70.61	-	**187.32**	56.85	11.09	-	67.94	**119.38**
Vehicles	**288.24**	174.86	(67.66)	**395.44**	130.05	33.79	(34.25)	129.59	**265.85**
Office Equipment	**383.14**	104.95	-	**488.09**	232.32	47.85	-	280.17	**207.92**
TOTAL	**20,996.93**	**1,289.18**	(67.66)	**22,218.45**	**6,397.10**	**1,320.71**	**(34.25)**	**7,683.56**	**14,534.89**

DESCRIPTION	01.04.2022	-	Additions	-	-	-	Capitalized	-	As at 31.03.2023
Capital Work - in – Progress	454,47	-	1,044.27	-	-	-	(1,289.18)	-	**209.56**

CAPITAL-WORK-IN PROGRESS AGING SCHEDULE

DESCRIPTION	Less than 1 Year	1 – 2 Years	2 – 3 Years	More than 3 years	Total
Projects in Progress	208.47	0.82	-	-	209.56

1.A PROPERTY, PLANT AND EQUIPMENT (PPE)

(2021- 22 ₹ In Lakhs)

DESCRIPTION	GROSS CARRYING AMOUNT				DEPRECIATION / IMPAIRMENT				NET CARRYING AMOUNT
PROPERTY, PLANT AND EQUIPMENT	**01.04.2021**	**Additions / Adjustments**	**(Disposals)**	**31.03.2022**	**Upto 31.03.2021**	**Charge during the year**	**(Disposals)**	**Upto 31.03.2022**	**As at 31.03.2022**
Land - Freehold	33.90	-	-	33.90	-	-	-	-	33.90
Buildings	2,589.14	53.82	-	2,642.96	406.68	98.42	-	505.10	2,137.86
Plant & Machinery	14,641.25	1,800.94	-	16,442.19	4,081.12	994.30	-	5,075.42	11,366.77
Electrical Installations	903.19	186.60	-	1,089.79	314.84	82.52	-	397.36	692.43
Furniture & Fixtures	107.42	9.29	-	116.71	46.39	10.46	-	56.85	59.86
Vehicles	242.25	46.44	(0.45)	288.24	99.52	30.83	(0.30)	130.05	158.19
Office Equipment	308.53	76.00	(1.39)	383.14	195.15	38.46	(1.29)	232.32	150.82
TOTAL	**18,825.68**	**2,173.09**	**(1.84)**	**20,996.93**	**5,143.70**	**1,254.99**	**(1.59)**	**6,397.10**	**14,599.83**

DESCRIPTION	01.04.2021	-	Additions	-	-	-	Capitalized	-	As at 31.03.2022
Capital Work - in – Progress	192.48		2,435.08				(2,173.09)		**454.47**

CAPITAL-WORK-IN PROGRESS AGING SCHEDULE

DESCRIPTION	Less than 1 Year	1 – 2 Years	2 – 3 Years	More than 3 years	Total
Projects in Progress	**454.47**	**-**	**-**	**-**	**454.47**

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

1. The Company makes periodical assessment of the PPE considering product and technological obsolescence, process change, replacement and Beyond Economic Repair (BER) and other factors and accordingly, brings down the carrying value to its current fair value less cost of disposal to recognize the impairment, if any, through Statement of profit and loss . Impairment loss recognised during the year Rs.Nil (2022-Nil).

2. For amount of contractual commitments for the acquisition of PPE (Refer Note 31)

3. In terms of Ind AS 101 and the Clarifications issued by the Institute of Chartered Accountants of India, the carrying value of all PPE as on April 01, 2015 (i.e Gross cost less Depreciation/ amortisation upto that date) as per previous GAAP has been considered as deemed cost on the date of transition to Ind AS. The data above is accordingly stated.

4. For details of assets given as security against borrowings, Refer Note 12(a)

5. There are no overdue/overrun projects in CWIP

6. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 and March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

7. Capital Work in Progress (CWIP) whose completion is overdue or has exceeded its cost compared to its original plan - Nil (2021-22 Nil)

8. CWIP is to be completed in less than 1 year.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

1.B NON-CURRENT ASSETS - RIGHT OF USE OF ASSETS									(2022-23 ₹ In Lakhs)
DESCRIPTION	GROSS CARRYING AMOUNT				AMORTISATION / IMPAIRMENT				NET CARRYING AMOUNT
RIGHT-TO-USE ASSET	01.04.2022	Additions	(Disposals)/ Adjustments	31.03.2023	Upto 31.03.2022	Charge during the year	(Disposals) /Adjustments	Upto 31.03.2023	As at 31.03.2023
Server and Storage	44.93	-	(44.93)	-	43.66	1.27	(44.93)	-	-
Leasehold Land	605.89	256.49	-	862.38	112.14	158.55	-	270.69	591.69
TOTAL	**650.82**	**256.49**	**(44.93)**	**862.38**	**155.80**	**159.82**	**(44.93)**	**270.69**	**591.69**

1.B NON-CURRENT ASSETS - RIGHT OF USE OF ASSETS									(2021-22 ₹ In Lakhs)
DESCRIPTION	GROSS CARRYING AMOUNT				AMORTISATION / IMPAIRMENT				NET CARRYING AMOUNT
RIGHT-TO-USE ASSET	01.04.2021	Additions	(Disposals)/ Adjustments	31.03.2022	Upto 31.03.2021	Charge during the year	(Disposals) /Adjustments	Upto 31.03.2022	As at 31.03.2022
Server and Storage	44.93	-	-	44.93	29.54	14.12	-	43.66	1.27
Leasehold Land	598.13	7.76	-	605.89	12.46	99.68	-	112.14	493.75
TOTAL	**643.06**	**7.76**	**-**	**650.82**	**42.00**	**113.80**	**-**	**155.80**	**495.02**

Note:

1. Escalation clause – the percentage of escalation is upto a maximum of 10%
2. Discount rate used for the purpose of computing Right to Use asset ranges from 7.95% to 8.75% p.a.
3. Rental amount (undiscounted) per annum ranges from Rs. 42.00 Lakhs to Rs. 120.40 lakhs which also carries a clause for extension of agreement based on mutual understanding between lessor and lessee.
4. The lease period ranges from 36 months to 72 months over which the Right-to-use asset is depreciated on a straight line basis.
5. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreement does not impose any major covenants other than the security interests in the leased assets that are held by the lessor. Leased assets are not used as security for borrowing purposes.
6. Lease agreements are duly executed in favour of the Company

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

1.C INTANGIBLE ASSETS									(2022-23 ₹ In Lakhs)
DESCRIPTION	GROSS CARRYING AMOUNT				AMORTISATION / IMPAIRMENT				NET CARRYING AMOUNT
INTANGIBLE ASSETS	01.04.2022	Additions	(Disposals)	31.03.2023	Upto 31.03.2022	Charge during the year	(Disposals)	Upto 31.03.2023	As at 31.03.2023
Technical Knowhow Fee	111.54	-	-	111.54	111.54	-	-	111.54	-
Computer software – Acquired	224.25	41.50	-	265.75	95.08	49.74	-	144.82	120.93
Product Development - Acquired	0.01	-	-	0.01	0.01	-	-	0.01	-
Product Development - Internally Generated	309.60	-	-	309.60	121.76	64.52	-	186.28	123.32
TOTAL	**645.40**	**41.50**	**-**	**686.90**	**328.39**	**114.26**	**-**	**442.65**	**244.25**

DESCRIPTION	01.04.2022	Additions	Capitalization	As at 31.03.2023
Capital Work in Progress	-	41.50	(41.50)	-

1.C INTANGIBLE ASSETS									(2021-22 ₹ In Lakhs)
DESCRIPTION	GROSS CARRYING AMOUNT				AMORTISATION / IMPAIRMENT				NET CARRYING AMOUNT
INTANGIBLE ASSETS	01.04.2021	ADDITIONS	(DISPOSALS)	31.03.2022	UPTO 31.03.2021	CHARGE DURING THE YEAR	(DISPOSALS)	UPTO 31.03.2022	AS AT 31.03.2022
Technical Knowhow Fee	111.54	-	-	111.54	111.54	-	-	111.54	-
Computer software – Acquired	224.25	-	-	224.25	45.60	49.48	-	95.08	129.17
Product Development - Acquired	0.01	-	-	0.01	0.01	-	-	0.01	-
Product Development - Internally Generated	105.86	203.74	-	309.60	105.85	15.91	-	121.76	187.84
TOTAL	**441.66**	**203.74**	**-**	**645.40**	**263.00**	**65.39**	**-**	**328.39**	**317.01**

DESCRIPTION	01.04.2021	Additions	Capitalization	As at 31.03.2022
Capital Work in Progress	-	**203.74**	**(203.74)**	-

1	The Company makes periodical assessment of the Intangible Assets considering product and technological obsolescence, process change, replacement and Beyond Economic Repair (BER) and other factors and accordingly, brings down the carrying value to its current fair value less cost of disposal to recognize the impairment, if any, through Statement of profit and loss . Impairment loss recognised during the year Rs.Nil (2022-Nil).
2	For amount of contractual commitments for the acquisition of Intangible Assets (Refer Note 31)
3	In terms of Ind AS 101 and the Clarifications issued by the Institute of Chartered Accountants of India, the carrying value of all Intangible Assets as on April 01, 2015 (i.e Gross cost less Depreciation/ amortisation upto that date) as per previous GAAP has been considered as deemed cost on the date of transition to Ind AS. The data above is accordingly stated.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

		As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
2A.	**NON-CURRENT FINANCIAL ASSETS – INVESTMENTS**		
	A. Investments in Equity Instruments (unquoted)		
	1) Joint Venture (at cost)		
	1000000 (2022: 505000) equity shares of Rs.10 (2022:10) each fully paid in IPR Eminox Technologies Private Limited	100.00	50.50
	2) Others (at fair value through OCI)		
	5600 (2022: 5600) equity shares of Rs 10 (2022: Rs 10) each fully paid in K.Ramakrishnan Clean Energy Pvt Ltd	0.56	0.56
	B. Investments in Equity Instruments (quoted) - (at fair value through OCI)		
	1815 (2022: 1815) equity shares of Rs.2 (2022: Rs 2) each fully paid in Union Bank of India (Quoted) - Market Value being Rs.66.55 per share (2022: Rs.38.70 per share)	1.21	0.70
	Refer Note 42	101.77	51.76

2B.	**NON-CURRENT FINANCIAL ASSETS – LOANS**		
	Security Deposits - Lease Rent Deposits	44.50	47.56
	Bank deposit with original maturity of greater than 12 months	57.00	150.00
		101.50	197.56
2C.	**NON-CURRENT INCOME TAX ASSETS (NET)**		
	Advance Income Tax (net of provision)	204.40	121.67
		204.40	121.67
3.	**NON-CURRENT ASSETS – OTHERS**		
	Capital Advances	199.28	237.08
		199.28	237.08
4.	**INVENTORIES***		
	(a) Raw materials	1,588.32	1,499.57
	(b) Work-in-progress	1,522.45	1,136.79
	(c) Finished goods	2,063.99	1,878.60
	(d) Stores	797.58	770.33
		5972.34	5,285.29
	Goods in Transit Comprises of		
	Raw materials	85.75	21.93
	Stores	-	-
	Finished Goods	24.11	15.71
	* Net off provision made for slow- and non-moving stock.		
	Movement in provision is as follows:		
	Opening	193.77	185.49
	Add: Additions	-	8.28
	Closing	193.77	193.77

- Cost of material consumed (including cost of purchased goods) during the year is Rs 11,249.38 lakhs (2021-22: Rs 8,187.45 lakhs) reflected in Notes 24 and 25.
- Refer Note 12(a) for details of inventories pledged as security for liabilities.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

	As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
5. TRADE RECEIVABLES		
(a) Unsecured considered good	7,565.03	6,728.25
(b) Unsecured considered doubtful	49.52	10.43
(c) Less: Allowance for Credit Loss	(49.52)	(10.43)
	7,565.03	6,728.25
Note:		
Movement in loss allowance is as follows:		
Opening	10.43	25.38
Add: Additions	39.23	-
Less: Reversal	(0.14)	(14.95)
Closing	49.52	10.43
Refer Note 47 (c) for receivables from related parties		
5.1 These are carried at amortised cost.		
5.2 Trade Receivables which have significant increase in credit risk/ credit impaired	-	-

Trade Receivable - Ageing ₹ In Lakhs

	PARTICULARS	Outstanding As at March 31, 2023 for following periods from due date of Payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good - Related Parties	817.82	979.56	128.42	-	20.73	1,946.52
(ii)	Undisputed Trade Receivables –considered good - Others	5,586.55	39.42	40.21	1.85	-	5,668.03
(iii)	Allowance for Credit Loss						(49.52)
		6,426.81	**1,018.98**	**168.63**	**1.85**	**20.73**	**7,565.03**

₹ In Lakhs

	Particulars	Outstanding As at March 31, 2022 for following periods from due date of Payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good - Related Parties	1,239.13	113.83	1.71	-	20.73	1,375.40
(ii)	Undisputed Trade Receivables –considered good - Others	5314.50	48.78				5,363.28
(iii)	Allowance for Credit Loss						(10.43)
		6,553.63	**162.61**	**1.71**	**-**	**20.73**	**6,728.25**

		As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
6.	**CASH AND CASH EQUIVALENTS**		
	(a) Cash on hand	0.15	0.24
	(b) Balances with banks in Current accounts	551.49	339.60
		551.64	339.84

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ In Lakhs

		As at March 31, 2023	As at March 31, 2022
7.	**OTHER BANK BALANCES**		
	(a) Earmarked balances for dividend	40.70	3.13
	(b) Deposits with original maturity of more than 3 months but less than 12 months	5.00	5.00
		45.70	8.13
8.	**CURRENT FINANCIAL ASSETS – OTHERS**		
	Unsecured Considered good, unless otherwise stated		
	(a) Security Deposits		
	Lease Rent Deposits	9.71	17.74
	Other Deposits	158.03	102.45
		167.74	120.19
	(b) Employee Advances	0.45	-
	(c) Export incentive	22.3	13.46
	(d) Other receivables	14.12	3.92
	(e) Bank Deposits with original maturity of greater than 12 months	150.00	-
	(f) Other loans and advances	20.80	6.23
	Other loans and advances - Considered Doubtful	16.81	16.81
	Less: Provision for Doubtful Advances	(16.81)	(16.81)
		20.80	6.23
		375.41	143.80
9.	**CURRENT INCOME TAX ASSETS (NET)**		
	Current Tax Assets - Refund due	214.75	214.75
		214.75	214.75
9A.	**OTHER CURRENT ASSETS**		
	(a) Prepaid expenses	65.90	117.06
	(b) Prepaid Gratuity	27.39	20.62
	(c) Balances with government authorities	102.72	119.75
	(d) Export incentive - MEIS/RoDTEP Licence	179.50	61.46
	(e) Supplier Advances	151.02	51.01
	(f) Others*	162.27	506.44
		688.80	876.34
	* Includes GST Credit to be availed Rs.18.17 Lakhs (2021: Rs.464.16 Lakhs)		
10.	**SHARE CAPITAL**		
	Authorized		
	2,00,00,000 (2022: 2,00,00,000) Equity Shares of Rs. 10 each	2,000.00	2,000.00
		2,000.00	2,000.00
	Issued, Subscribed and fully paid up		
	1,26,75,865 (2022: 1,26,75,865) Equity shares of Rs. 10 each fully paid up	1,267.59	1,267.59
		1,267.59	1,267.59
	1. Reconciliation of number of Equity shares subscribed		
	Balance as at the beginning of the year - No of shares	1,26,75,865	1,26,75,865
	Add: Issued during the year	-	-
	Balance as at the end of the year - No of shares	1,26,75,865	1,26,75,865
	2. Shares issued in preceding 5 years Aggregate number and class of equity shares allotted for consideration other than cash, bonus etc. in the five years immediately preceding the Balance Sheet date as on March 31, 2023 is NIL (2022-NIL)		

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

3. Details of Equity shares held by its holding company including shares held by subsidiaries or associates of the holding company in aggregate

Shareholder- Relationship	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	%	No. of Shares	%
Simpson &Co., Ltd.- Holding Company	**37,67,000**	**29.72**	37,67,000	29.72
Tractor & Farm Equipment Limited- Fellow Subsidiary	**14,40,192**	**11.36**	14,40,192	11.36
India Pistons Ltd.- Fellow subsidiary	**12,69,885**	**10.02**	12,69,885	10.02
Amalgamations Pvt. Ltd.- Ultimate Holding Company	**6,91,380**	**5.45**	6,91,380	5.45
The United Nilgiri Tea Estates Co. Ltd.	**3,600**	**0.03**	3,600	0.03

4. Shareholders holding more than 5% of the total share capital

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	%	No. of Shares	%
Simpson & Co., Ltd.	**37,67,000**	**29.72**	37,67,000	29.72
Tractor & Farm Equipment Limited	**14,40,192**	**11.36**	14,40,192	11.36
India Pistons Ltd.	**12,69,885**	**10.02**	12,69,885	10.02
Enam Shares & Securities Pvt Ltd	**10,66,552**	**8.41**	10,66,552	8.41
Nippon Piston Ring Co., Ltd.	**7,04,200**	**5.56**	7,04,200	5.56
Amalgamations Pvt. Ltd.	**6,91,380**	**5.45**	6,91,380	5.45

5. Shareholding of Promoters

Name of the Promoters	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	%	No. of Shares	%
Simpson & Co., Ltd.	**37,67,000**	**29.72**	**37,67,000**	**29.72**
Tractor & Farm Equipment Limited	**14,40,192**	**11.36**	**14,40,192**	**11.36**
India Pistons Ltd.	**12,69,885**	**10.02**	**12,69,885**	**10.02**
Amalgamations Pvt. Ltd.	**6,91,380**	**5.45**	**6,91,380**	**5.45**
The United Nilgiri Tea Estates Co. Ltd.	**3,600**	**0.03**	**3,600**	**0.03**

6. Rights, preferences and restrictions in respect of equity shares issued by the Company

The equity shareholders are entitled to receive dividend as and when declared, a right to vote in proportion of holding etc. and their rights, preferences and restrictions are governed by / in terms of their issue and the provisions of the Companies Act, 2013.

7. Dividend

The Board of Directors in their meeting on May 26, 2023 recommended a final dividend of Rs.1/- per equity share for the financial year ended March 31, 2023. This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Company.

		Note	As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
11.	**Other Equity***			
	General Reserve	A	3,015.27	3,015.27
	Securities Premium Reserve	B	5,302.25	5,302.25
	Other comprehensive Income		(131.18)	(124.31)
	Retained Earnings	C	1,644.67	1,724.59
			9831.01	9,917.80

* Refer Statement of Changes in equity for additions / deletions in each reserve.

A. General reserve is created from time to time by transferring profits from retained earnings and can be utilized for the purposes such as payment of dividends.

B. Securities Premium Reserve represents premium received on equity shares issued which can be utilized only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

C. Retained Earnings is generally available for distribution of dividend subject to the provisions of the Companies Act, 2013.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

		As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
12.	**NON- CURRENT FINANCIAL LIABILITIES – BORROWINGS**		
	Secured		
	Term Loans		
	From Banks	4,048.09	5,046.83
	Unsecured		
	Term Loans		
	From Financial Institutions	83.33	-
		4,131.42	5,046.83

12 (a) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

Particulars	Terms of repayment and security
Terms Loan	
From Banks	The term loans are availed for purchase of assets relating to Capital Projects and are secured by hypothecation of specific assets purchased out of the said loan. The weighted average rate of interest of these loan is around 9.44%. Per annum.
	The loans availed for purchase of Vehicles are secured by hypothecation of vehicles purchased out of the said loan. The weighted average rate of interest of these loan is around 8.05 %. Per annum.
From Financial Institutions	Loan taken from other parties for term loan are secured by hypothecation of specific asset. The weighted average rate of interest of these loan is around 9.08%. Per annum.

Details of security for the Secured short-term borrowings:

Loans repayable on demand from Banks:	Terms of repayment and security
Cash Credit	First pari-paasu charge on working capital assets viz. inventory, book debts and other current assets with other lenders under multiple banking arrangements. The weighted average rate of interest of these loan is around 7.25%. Per annum.
Working Capital Demand loan	Hypothecation of stock and book debts on pari-paasu basis. The weighted average rate of interest of these loan is around 7.27%. Per annum.
Terms of Repayment	
Loan Description	**Repayment Terms**
a. Term Loans – Banks	Both monthly and Quarterly installments
b. Term Loans- other parties	Monthly installment
c. Unsecured Term Loan from Bank	Monthly installment

12(b)	The quarterly returns/statements of current assets filed by the Company with banks/financial institutions are in agreement with the books of accounts.
12(c)	The Company has applied the monies raised by way of term loans for the purposes for which they were obtained.
12(d)	The Company has not utilised the funds raised on short term basis for long term purposes.
12(e)	The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
12(f)	Details of registration of satisfaction of charges with Registrar of Companies beyond the statutory period:

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

PARTICULARS	REASON FOR DELAY IN REGISTRATION
Charge Holder Name : HDFC Bank Limited Nature of Loan : Term Loan - Movable property (not being pledge) Date of Creation: 08-06-2017 Amount of Charge: Rs. 1000 lakhs Date of Repayment of Loan: 30-06-2022 Location of Registrar: Chennai Pending Days : 300	Satisfaction of Charge is yet to be registered due to pending receipt of NOC from Bank.

		As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
13.	**NON- CURRENT OTHER FINANCIAL LIABILITIES**		
	Lease liabilities (Refer note 45)	406.46	452.79
	Derivative Liabilities (Refer note 39)	-	7.62
		406.46	460.41
14.	**NON-CURRENT PROVISIONS**		
	Provision for Employee benefits		
	Compensated Absences	133.77	122.67
		133.77	122.67
15.	**DEFERRED TAX (ASSET) / LIABILITY**		
	Deferred Tax Asset:		
	Unabsorbed depreciation	(334.10)	(334.84)
	Expenses allowable on payment	(60.09)	(56.33)
	Provision for Inventory and debtors	(67.68)	(56.81)
	MAT Credit	(824.47)	(776.02)
		(1,286.34)	(1,224.00)
	Deferred Tax Liability:		
	Depreciation and amortization on PPE & Intangibles	1,550.95	1,474.89
	Net Deferred Tax Liability / (Asset)	264.61	250.89

* The company has recognised deferred tax asset for Unabsorbed depreciation considering the future projected profitability.

16.	**CURRENT BORROWINGS**		
	Secured		
	Loans repayable on demand *		
	- From Banks	2,004.77	2,611.61
	Unsecured		
	Loans repayable on demand *		
	From Banks	1,000.00	1,000.00
	Current Maturities of Long-term borrowings*		
	From Banks	2,206.19	2,131.00
	From Other Parties	250.00	15.73
		5,460.96	5,758.34

* Refer Note 12(a) for security details

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

17.	LEASE LIABILITIES	As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
	Lease liabilities (Refer note 45)	139.29	81.66
		139.29	81.66

18.	TRADE PAYABLES		
	Trade Payables to Micro, Small & Medium Enterprises (Refer Note 36)	1,018.50	296.42
	Acceptances - Letter of Credit	163.04	230.13
	Trade Payables - others	6,715.71	5,118.00
	Trade Payables- Due to related parties*	41.75	2.21
	Vendor Bills Payable	1260.43	670.59
		9,199.43	6,317.35
	* Refer Note 47(c)		

TRADE PAYABLES – AGEING. ₹ In Lakhs

Particulars	Outstanding As at March 31, 2023 for following periods from due date of Payment				
	Less than 1 Year	1 – 2 years	2 – 3 Years	More than 3 years	Total
(i) MSME	1,018.50	-	-	-	1,018.50
(ii) Others	8,035.34	132.78	5.14	7.67	8,180.93
Total	**9,053.84**	**132.78**	**5.14**	**7.67**	**9,199.43**

Particulars	Outstanding As at March 31, 2022 for following periods from due date of Payment				
	Less than 1 Year	1 – 2 years	2 – 3 Years	More than 3 years	Total
(i) MSME	296.42	-	-	-	296.42
(ii) Others	5,906.67	82.71	24.77	6.78	6,020.93
Total	**6,203.09**	**82.71**	**24.77**	**6.78**	**6,317.35**

₹ In Lakhs

19.	OTHER FINANCIAL LIABILITIES	31 March 2023	31 March 2022
	Interest accrued but not due on borrowings	41.35	25.05
	Unclaimed dividend	40.69	3.10
	Employee related payables	339.81	251.72
	Derivative Liabilities (Refer note 39)	13.52	41.57
	Other payables	189.72	285.60
		625.09	607.04
20.	OTHER CURRENT LIABILITIES		
	Statutory dues	108.42	207.63
	Contract liabilities - Customer Advances	2.10	8.20
		110.52	215.83

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

		For the year Ended March 31, 2023 ₹ In Lakhs	For the year ended March 31, 2022 ₹ In Lakhs
21.	**CURRENT PROVISIONS**		
	Provision for Employee benefits		
	Compensated Absences	26.86	24.39
		26.86	24.39

21.1 Movement in Provision for Compensated Absences in Note 14 and Note 21 is as follows			
Particulars	**Opening**	**Additions (net of utilization)**	**Closing**
March 2023	147.06	17.57	164.63
March 2022	140.13	6.93	147.06

₹ In Lakhs

22.	**REVENUE FROM OPERATIONS**	31 March 2023	31 March 2022
	(a) **Sale of Products**		
	Rings Sales	7,231.57	6,868.54
	OCF Sales	21,391.81	17,116.70
	Pin Sales	2,208.14	1,774.29
	Tooling Sales	509.17	586.98
	(b) **Sale of Services**	206.58	271.34
	(c) **Other operating revenues**		
	Export Incentives	359.10	396.51
	Scrap Sales	423.19	257.13
		32,329.56	27,271.49
23.	**OTHER INCOME**		
	(a) Interest income	148.99	60.05
	(b) Liabilities no longer required written back	1.98	143.72
	(c) Exchange Gain	178.10	19.80
	(d) Other non-operating income	5.16	5.53
	(e) Profit on Sale of Assets	-	0.25
		334.23	229.35
24.	**COST OF MATERIALS CONSUMED**		
	(a) Opening Stock	1,499.57	1,877.07
	(b) Add: Purchases	11,909.18	8,885.18
	(c) Less: Closing Stock	(1,588.32)	(1,499.57)
		11,820.43	9,262.68

25.	**CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK – IN –PROGRESS**		
	(a) (Increase) / Decrease in Work-in-Progress	(385.66)	(225.28)
	(b) (Increase) / Decrease in Finished Goods	(185.39)	(849.95)
		(571.05)	(1,075.23)

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

26.	EMPLOYEE BENEFITS EXPENSE	For the year Ended March 31, 2023 ₹ In Lakhs	For the year ended March 31, 2022 ₹ In Lakhs
	(a) Salaries and wages	2,396.72	2,343.99
	(b) Contribution to provident and other funds	156.69	155.51
	(c) Staff welfare expenses	450.72	376.93
		3,004.13	2,876.43

27.	FINANCE COSTS		
	(a) Interest expenses	991.45	896.61
	(b) Interest on leases	45.08	46.31
	(c) Exchange loss regarded as adjustment to interest costs	6.27	15.35
	(d) Other borrowing costs	44.18	44.02
		1,086.98	1,002.29

28.	OTHER EXPENSES		
	Sub - Contracting Expenses	6,662.48	4,899.28
	Power and Fuel	1,504.14	1,148.24
	Stores Consumed	3,826.61	3,958.84
	Mark to Market Loss on - derivatives (Refer note 39)	5.90	14.35
	Rent	78.12	77.07
	Rates and Taxes	66.64	37.97
	Insurance	109.78	109.29
	Travelling and Conveyance	441.43	346.39
	Packing and Forwarding	308.80	246.97
	Advertisement	5.36	2.73
	Royalty	215.02	177.31
	Consultation Fee	295.66	188.09
	Directors' Sitting Fees	3.60	5.96
	Freight	757.26	741.08
	Payment to Auditors for:		
	Statutory Audit	10.23	8.73
	Tax Audit	1.60	1.60
	GST Audit	1.26	1.20
	Other Matter	7.61	7.72
	Reimbursement of expenses	-	0.16
	Repairs and Maintenance		
	- Buildings	30.82	16.52
	- Machinery and Electrical Installations	628.64	479.79
	- Vehicles	40.35	42.28
	- Computer System	141.32	71.78
	Bad Debts written off	0.14	4.12
	Provision for doubtful receivables made/ (written back) - Net	39.09	(14.95)
	Loss on Sale of Assets	7.99	-
	CSR Expenses	14.75	22.50
	Research and Development expense	-	4.30
	Commission to Non-Whole Time Directors	3.00	10.00
	Miscellaneous Expenses	282.29	286.14
		15,489.89	12,895.46

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

		March 31, 2023 ₹ In Lakhs	March 31, 2022 ₹ In Lakhs
29.	**REVENUE FROM CONTRACTS WITH CUSTOMERS**		
29.1	Disaggregated revenue information		
	Type of goods and service		
	(a) Sale of products		
	Rings Sales	**7,231.57**	**6,868.54**
	OCF Sales	**21,391.81**	**17,116.70**
	Piston Pin Sales	**2,208.14**	**1,774.29**
	Tooling Sales	**509.17**	**586.98**
	(b) Revenue from services		
	- Job work	**206.58**	**271.34**
	(c) Other operating revenues		
	- Scrap sales	**423.19**	**257.13**
	Total revenue from contract with customers	**31,970.46**	**26,874.98**
	India	**20,464.74**	**16,147.71**
	Outside India	**11,505.72**	**10,727.27**
	Total revenue from contract with customers	**31,970.46**	**26,874.98**

Timing of revenue recognition	**March 31, 2023**		**March 31, 2022**	
Particulars	**At a point in time**	**Over a period of time**	**At a point in time**	**Over a period of time**
Sale of products	31,763.88	-	26,603.64	-
Revenue from Services - Job Work	206.58	-	271.34	-
Total revenue from contract with customers	**31,970.46**	**-**	**26,874.98**	**-**

	Particulars	**For the year Ended March 31, 2023 ₹ In Lakhs**	**For the year ended March 31, 2022 ₹ In Lakhs**
29.2	**Contract balances**		
	Trade receivables	**7,565.03**	**6,728.25**
	Contract liabilities	**2.10**	**8.20**

Trade receivables are non-interest bearing and are generally as per terms of contract.

Contract liabilities are Amounts received from customers in respect of obligation to be performed by the Company.

29.3	**Reconciliation of revenue recognised in the statement of profit and loss with the contracted price**	**31 March,2023**	**31 March,2022**
	Revenue as per contracted price	**31,970.46**	**26,874.98**
	Adjustments	**-**	
	Rebates and discounts		**-**
	Revenue from contract with customers	**31,970.46**	**26,874.98**
	Export Incentives	**359.10**	**396.51**
	Total Revenue from Operations as per Note 22	**32,329.56**	**27,271.49**

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

		March 31, 2023 ₹ In Lakhs	March 31, 2022 ₹ In Lakhs
30.	**CONTINGENT LIABILITY**		
	Claims against the Company not acknowledged as debts		
	(a) Bills Discounted	-	460.41
	(b) Outstanding Letters of Credit	125.47	200.06
	(c) Bank Guarantees	15.85	15.85
	(d) Income Tax matters under appeal*	21.10	21.10
	(e) The impact of the retrospective operation of the amendment to the Payment of Bonus Act, 1965 for the financial year 2014-15 has not been considered in accounts in view of stay granted by Madras and High Courts in India*	-	-
	*Future cash outflows in respect of the above are determinable only on receipt of judgement/decisions pending with various forums/authorities.		

31.	**COMMITMENTS**		
	Capital commitments (net of advances) not provided for	152.32	124.09
	The outflow in respect of the above is not practicable to ascertain in the View of uncertainty involved.		

32.	**VALUE OF IMPORTS CALCULATED ON CIF BASIS**		
	Raw materials	944.60	1,774.24
	Stores consumed	32.30	147.70
	Spare parts	26.25	69.07
	Total Components and spare parts	58.55	216.77
	Capital goods	143.44	572.90

33.	**EXPENDITURE IN FOREIGN CURRENCY (ON PAYMENT BASIS)**		
	Royalty	149.09	192.39
	Travel	35.76	12.53
	Professional Fee / Technical Services	184.23	90.66
	Capital Expenditure / Advance	143.45	478.54
	Others	329.77	295.35
	Total	842.30	1,058.65

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

34.	DETAILS OF CONSUMPTION IN NOTE 24,25 AND 28 OF IMPORTED AND INDIGENOUS ITEMS		
	IMPORTED	31 March 2023	31 March 2022
	Raw materials	2,258.09	2,589.05
	Spares & Loose tools	205.37	274.85
		2,463.46	2,863.90
	INDIGENOUS		
	Raw materials	8,991.29	5,596.96
	Spares & Loose tools	3,621.24	3,685.43
		12,612.53	9,282.39
35.	EARNINGS IN FOREIGN EXCHANGE		
	Export of goods calculated on FOB basis	9,492.75	10,582.67
		9,492.75	10,582.67

36.	DISCLOSURES REQUIRED UNDER THE MICRO, SMALL & MEDIUM DEVELOPMENT ACT, 2006		
	The company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosures pursuant to the said MSMED Act are as follows:		
	The Principal amount (22-23 ; Rs.935.26 lakhs; 21-22 : Rs.268.33 lakhs) and the interest due (22-23 : Rs.83.24 lakhs ; 21-22 : Rs.28.09 lakhs) thereon remain unpaid to suppliers at the end of each accounting year.	1,018.50	296.42
	The amount of Interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during the accounting year	-	-
	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding to the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	32.23	21.75
	The amount of interest accrued and remaining unpaid at the end of each accounting year	83.24	28.09
	The amount of interest debited in Statement of Profit and Loss account	55.15	22.05
	The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure u/s 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	83.24	28.09

The above information regarding Micro and Small Enterprises have been Determined to the extent such parties have been identified on the basis of information available with the company i.e. Details available in the vendor database on the Company's web portal.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

		For the year Ended March 31, 2023 ₹ In Lakhs	For the year ended March 31, 2022 ₹ In Lakhs
37.	**INCOME TAXES RELATING TO CONTINUING OPERATIONS**		
	Income tax recognised in profit or loss		
	Current Tax	48.45	201.93
	MAT Credit entitlement	(48.45)	(189.66)
	Deferred tax	65.02	271.28
	Total income tax expense recognised in the current year	65.02	283.55
	The income tax expense for the year can be reconciled to the accounting profit as follows:		
	Profit/(loss) before tax from continuing operations	238.62	1,105.03
	Income tax expense calculated at %	27.82	27.82
	Income tax expense	66.38	307.42
	Effect of expenses that are deductible in determining taxable profit of the current year	(14.64)	(7.80)
	Effect of unabsorbed depreciation/loss of previous years utilized in current year	0.75	148.94
	Others	8.73	(180.21)
	Adjustments recognised in the current year in relation to the current tax of prior years	3.80	15.20
	Income tax expense recognised in profit or loss (relating to continuing operations)	65.02	283.55
	The tax rate used for the reconciliations above is the corporate tax rate of 27.82 % (for the year 2022-23) and 27.82% (for the year 2021-22) payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.		
	Income tax recognised in other comprehensive income		
	Current tax		
	Remeasurement of defined benefit obligation	-	-
	Deferred tax		
	Remeasurement of defined benefit obligation	(2.85)	5.65
	Total income tax recognised in other comprehensive income	(2.85)	5.65
	Deferred tax balances		
	The following is the analysis of deferred tax assets/(liabilities) presented in the statement of financial position:		
	Deferred tax assets (including MAT credit)	(1,286.34)	(1,224.00)
	Deferred tax liabilities	1,550.95	1,474.89
		264.61	250.89

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

	For the year Ended March 31, 2023 ₹ In Lakhs	For the year ended March 31, 2022 ₹ In Lakhs
38. EMPLOYEE BENEFITS		
Defined Contribution Plan		
Contribution to Defined Contribution Plan, are charged off for the year as under		
Employer's Contribution to Provident Fund	107.93	106.07
Employer's Contribution to Superannuation Fund	23.10	20.48

Defined Benefit Plan

Gratuity:

The Company operates gratuity plan through approved gratuity fund with Life Insurance Corporation of India. Every employee is entitled to the benefit in accordance with The Payment of Gratuity Act, 1972, as applicable from time to time, except in the case of Managing Director where there is no maximum limit. The present value of obligation is determined based on actuarial valuation.

Leave Salary Encashment:

Eligible employees can carry forward and encash leave on superannuation or death or permanent disablement subject to a maximum accumulation of 60 days except in the case of Managing Director where there is no limit to maximum accumulation. The present value of obligation is determined based on actuarial valuation.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Retirement benefit plans continued...

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Gratuity and Compensated absences	**March 31, 2023**	**Rs.in lakhs** **March 31, 2022**
Discount rate(s)	**7.00%**	7.00%
Expected rate(s) of salary increase	**7.00%**	7.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:

	March 31, 2023	**Rs.in lakhs** **March 31,2022**
Gratuity		
Current service cost	**30.22**	30.78
Past service cost	**-**	-
Net interest expense	**35.94**	34.83
Return on plan assets (excluding amounts included in net interest expense)	**(40.50)**	(36.65)
Components of defined benefit costs recognised in profit or loss	**25.66**	**28.96**

The above expense for the year are included under 'Contribution to provident, gratuity and other funds' in the 'employee benefits expense' in statement of profit or loss.

Remeasurement on the net defined benefit liability comprising:		
Actuarial(gains) /losses arising from obligations	**10.23**	(20.32)
Components of defined benefit costs recognised in other comprehensive income	**10.23**	**(20.32)**
Total	**35.89**	**8.64**

The remeasurement of the net defined benefit liability is included in other comprehensive income

Compensated Absences		
Current service cost	-	-
Net interest expense	**9.31**	6.85
Actuarial (gains)/losses arising from changes in financial assumptions	**(2.17)**	1.35
Actuarial (gains)/losses arising from experience adjustments	**33.45**	10.09
	40.59	**18.29**
Recognised in Statement of Profit & Loss	**40.59**	18.29
Recognised in Other Comprehensive Income	-	-

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

The above expenses for the year are included under 'Salaries, wages and bonus' in the 'employee benefits expense' in statement of profit or loss.

The amount included in the statement of financial position arising from the Company's obligation in respect of its defined benefit plans is as follows:

		Rs.in lakhs
Gratuity	**March 31,2023**	**March 31, 2022**
Present value of defined benefit obligation	**546.86**	**515.05**
Fair value of plan assets	**574.24**	**535.67**
Net liability arising from defined benefit obligation (funded)	**(27.39)**	**(20.62)**

Gratuity is reflected in Prepaid Gratuity under Other Current Assets. [Refer note 9A].

Compensated Absences		
Present value of defined benefit obligation	**164.63**	147.06
Net liability arising from defined benefit obligation (funded)	**164.63**	**147.06**

The above provisions are reflected under 'Provision for employee benefits' in "other non-current provisions" and in "short-term provisions". [Refer notes 14 and 21]

Movements in the present value of the defined benefit obligation in the current year were as follows:

	March 31, 2023	March 31, 2022
Gratuity		
Opening defined benefit obligation	**515.05**	**497.56**
Current service cost	**30.22**	**30.78**
Interest cost	**35.94**	**34.83**
Actuarial(gains) /losses arising from obligations	**10.23**	**(20.32)**
Benefits paid	**(44.58)**	**(27.80)**
Closing defined benefit obligation	**546.86**	**515.05**
Compensated Absences		
Opening defined benefit obligation	**147.06**	**140.13**
Current service cost	-	-
Interest cost	**9.31**	**6.85**
Actuarial (gains)/losses arising from changes in financial assumptions	**(2.17)**	**1.35**
Actuarial (gains)/losses arising from experience adjustments	**33.45**	**10.09**
Actuarial (gains)/losses arising from changes in geographical assumptions	-	**9.62**
Benefits paid	**(23.02)**	**(20.98)**
Closing defined benefit obligation	**164.63**	**147.06**

MOVEMENTS IN THE FAIR VALUE OF THE PLAN ASSETS IN THE CURRENT YEAR WERE AS FOLLOWS:	March 31, 2023	March 31, 2022
Gratuity	**₹ In Lakhs**	**₹ In Lakhs**
Opening fair value of plan assets	**535.67**	439.71
Return on plan assets (excluding amounts included in net interest expense)	**40.50**	36.65
Contributions	**42.66**	87.11
Benefits paid	**(44.58)**	(27.80)
Closing fair value of plan assets	**574.24**	**535.67**

The Company funds the cost of the gratuity expected to be earned on a yearly basis to Life Insurance Corporation of India, which manages the plan assets.

The actual return on plan assets was Rs.40.50 lakhs (2021-22: Rs.36.65 lakhs).

39. FINANCIAL INSTRUMENTS

Capital management

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, non-convertible debt securities, and other long-term/short-term borrowings.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 12 and 16, and offset by cash and bank balances) and total equity of the Company. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

	As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
Gearing Ratio:		
Debt (Long-term and short-term borrowings including current maturities)	9,605.90	10,854.36
Less: Cash and bank balances	(551.64)	(339.84)
Net debt	9,054.26	10,514.52
Total equity	11,098.60	11,185.39
Net debt to total equity ratio	0.82	0.94

Categories of Financial Instruments:

A Financial assets

(a) Measured at amortized cost:		
Cash and bank balances	597.34	347..97
Trade Receivables	7,565.03	6,728.25
Investments	100.00	50.50
Others	476.91	341.36

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

		As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
(b)	**Mandatorily measured at fair value through other comprehensive income (FVOCI):**		
	Investments	1.77	1.26
B	**Financial liabilities**		
(a)	**Measured at amortized cost:**		
	Borrowings	7,136.19	8,658.44
	Trade Payables	9,199.43	6,317.35
	Current maturity of Long-Term Borrowings	2,456.19	2,146.73
	Lease Liabilities	545.75	534.45
	Others	611.57	565.47
(b)	**Measured at fair value through Statement of Profit and Loss:**		
	Derivatives	13.52	49.19

Financial risk management objectives

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Foreign currency risk management:

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

AS ON MARCH 31,2023

Currency	Liabilities	Assets	(Rs in lakhs)
	Gross exposure*	Gross exposure	Net overall exposure on the currency - net assets - (net liabilities)
USD	394.82	1,882.17	1,487.35
EUR	43.77	68.99	25.22
GBP	0.76	-	(0.76)
JPY	75.24	-	(75.24)

*Excludes exposure on Unutilised Letter of Credit aggregating Rs.45.94 lakhs

FINANCIAL INSTRUMENTS – (Contd)

AS ON MARCH 31, 2022

Currency	Liabilities	Assets	(Rs in lakhs)
	Gross exposure*	Gross exposure	Net overall exposure on the currency - net assets - (net liabilities)
USD	1,731.43	2,234.82	503.39
EUR	1.77	112.61	110.84
JPY	85.10	-	(85.10)

*Excludes exposure on Unutilised Letter of Credit aggregating Rs.82.81 lakhs

Foreign currency sensitivity analysis:

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

The following table details the Company's sensitivity movement in the foreign currencies. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%. 2% represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates.

Currency	Profit or Loss (Rs) in lakhs	
	March 31, 2023	March 31, 2022
USD Impact	**29.75**	10.07
EUR Impact	**0.50**	2.22
GBP Impact	**(0.02)**	-
JPY Impact	**(1.50)**	(1.70)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

The following table details the derivative contracts outstanding at the end of the reporting period:
As on March 31, 2023 **(₹ In Lakhs)**

Nature	Notional Value in FCY (Lakhs)	MTM in INR in Lakhs	Maturity date
Currency swap - INR to USD	USD 0.93	13.52	01-Jun-23
Interest rate swap - Floating to Fixed	USD 0.63	0.27	02-Aug-23
Interest rate swap - Floating to Fixed	USD 1.25	0.53	02-Aug-23

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FINANCIAL INSTRUMENTS – (Contd)

As on March 31, 2022 **(₹ In Lakhs)**

Nature	Notional Value in FCY	MTM in INR in Lakhs	Maturity date
Currency swap - INR to USD	USD 4.63	38.08	01-Jun-23
Currency swap - INR to USD	USD 0.93	7.62	01-Jun-22
Interest rate swap - Floating to Fixed	USD 1.88	1.17	02-Aug-23
Interest rate swap - Floating to Fixed	USD 3.75	2.32	02-Aug-23

Note:
Included in the balance sheet under 'Current - other financial liabilities and non-Current - Financial Liabilities'. [Refer Notes 13 and 19]

Interest rate risk management

The company is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The risk is managed by the company by maintaining an appropriate mix between fixed and floating rate borrowings

The exposure of company's borrowings to interest rate changes at the end of the reporting period are as follows.

(₹ In Lakhs)

Particulars	March 31, 2023	March 31, 2022
Variable rate Borrowings	**9,363.54**	**9,919.95**
Fixed rate Borrowings *	**228.84**	**885.22**

* includes variable rate borrowings subsequently converted to fixed rate borrowings through swap contracts.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rate

If interest rates had been 25 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended March 31, 2023 would decrease/increase by Rs.24.10 lakhs (March 31, 2022: decrease/increase by Rs.9.03 lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings

Equity price risk

Equity price risk is related to the change in market reference price of the investments in equity securities. Fair and nominal value of shares are same since entire nominal value will be payable on sale back of shares as per the agreement and the shares are not held for trading purpose.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FINANCIAL INSTRUMENTS - (Contd)

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable. The Company does not have significant credit risk exposure

The company sells predominantly to local and export customers which are on credit basis. The average credit period is 30 days to 60 days.

The Company did not have credit risk exposure in the past 3 years and there were no bad debt during the mentioned period but the Company makes an allowance for doubtful debts on a case to case basis.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, margin money and other financial assets excluding equity investments.

Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.
The Company has obtained fund and non-fund based working capital lines from various banks. The Company is also working with banks for obtaining separate facility for financing of Dies. Promoters will support by way of fund infusion on need basis.
The company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ In Lakhs)

Particulars	March 31, 2023	March 31, 2022
Expiring within one year (bank overdraft and other facilities) - Secured	536.00	3,558.27
Term Loan - Secured	300.00	-

Liquidity tables:

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

(₹ In Lakhs)

31-03-2023	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Trade payables	9,199.43	-	-	9,199.43
Current maturity of long-term borrowings	2,456.19	-	-	2,456.19
Lease liabilities (Refer note 45)	139.29	406.46	-	545.75
Other financial liabilities	583.74	-	-	583.74
Borrowings (including interest accrued thereon upto the reporting date)	3,046.12	4,131.42	-	7,177.54
	15,424.77	**4,537.88**	**-**	**19,962.65**

FINANCIAL INSTRUMENTS – [Contd]

(₹ In Lakhs)

31-03-2022	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Trade payables	6,317.35	-	-	6,317.35
Current maturity of long term borrowings	2,146.73	-	-	2,146.73
Lease liabilities (Refer note 45)	121.65	516.08	-	637.73
Other financial liabilities	581.99	7.62	-	589.61
Borrowings (including interest accrued thereon upto the reporting date)	3,636.66	5,046.83	-	8,683.49
	12,804.38	**5,570.53**	**-**	**18,374.91**

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):

The Management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

40. SEGMENT INFORMATION

The Managing Director of the Company has been identified as being the chief operating decision maker. Based on the internal reporting to the Chief operating decision maker, the Company has identified that the Company has only one segment which is manufacture and sale of Auto Component – Piston Rings, Differential Gears, Pole Wheel and other Transmission Components and accordingly there are no other reportable segments. The Company is domiciled in India. Information about entity wide disclosures as mandated under Ind AS 108 are as below:

Geographical segment information:

(₹ In Lakhs)

Description	Year	India	USA	Thailand	Rest of the world	Unallocated	Total
Revenue	2022-23	20,464.74	2,836.88	7,985.03	683.81	359.10	32,329.56
	2021-22	16,147.71	2,348.01	8,124.56	254.70	396.51	27,271.49
Assets	2022-23	5,831.29	218.53	1,409.22	105.99	-	7,565.03
	2021-22	4,413.00	432.35	1,728.55	154.35	-	6,728.25

Out of the above said revenue two customer represents more than 10% of the gross revenue and in total contribute 32.50% of the gross revenue.

41. NET DEBT RECONCILIATION

		As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
1.	Cash and cash equivalents	597.34	347.97
2.	Liquid Investments	212.00	155.00
3.	Lease Liability	(545.75)	(534.45)
4.	Short Term borrowings	(3,004.77)	(3,611.61)
5.	Long Term borrowings *	(6,587.61)	(7,193.56)
	NET DEBT	**(9,328.79)**	**(10,836.65)**

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Particulars	Other assets		Liabilities from financing activities			Total
	cash and bank overdraft	Liquid investments	lease Liability	Non-current borrowings	Current borrowings	
Net debt as at March 31, 2022	**347.97**	155.00	**(534.45)**	**(7,193.56)**	**(3,611.61)**	**(10,836.65)**
Cash flows	249.37	57.00	147.17	623.81	606.84	**1,684.19**
Movement in Lease Liability						
Foreign exchange adjustments				(17.86)		**(17.86)**
Interest expense				735.80	351.18	**1,086.98**
Interest paid				(735.80)	(351.18)	**(1,086.98)**
Other non-cash movements						
- Acquisitions / disposals						
- Fair value adjustments			(158.47)			**(158.47)**
Net debt as at March 31, 2023	**597.34**	**212.00**	**(545.75)**	**(6,587.61)**	**(3,004.77)**	**(9,328.79)**

NOTE

Assets represented by positive numbers

Liabilities represented by negative numbers

* Includes current maturities of Long term debt

		As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
42	**INVESTMENT**		
(a)	Quoted investment		
	Cost	**0.88**	**0.88**
	Market value	**1.21**	**0.70**
(b)	Unquoted investment		
	Cost	**100.56**	**51.06**
(c)	Impairment in value of investment	**-**	**-**

43 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

a) Gross amount required to be spent by the Company during the year is Rs.12.82 lakhs (2021-22 Rs.10.55 lakhs)).

b) Amount approved by the Board and spent during the year on :

(2022-23 ₹ In Lakhs)

Particulars	In Cash	Yet to be paid in cash	Total
1. Construction/acquisition of any asset	-	-	-
2. On Purposes other (1) above	**14.75**	-	**14.75**

(2021-22 ₹ In Lakhs)

Particulars	In Cash	Yet to be paid in cash	Total
1. Construction/acquisition of any asset	-	-	-
2. On Purposes other (1) above	**22.50**	-	**22.50**

c) The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year Nil (2021- 22 - Nil)

d) The total of previous years' shortfall amounts Nil (2021-22 - Nil)

e) The nature of CSR activities undertaken by the Company:

- ✓ Donation of Ambulance to Hospital (Social Empowerment) Nil (2021-22 - Rs.20.00 lakhs)
- ✓ Contribution to Roja Muthiah Research Library Trust (Promoting education and also conservation of art and culture) Nil (2021-22- Rs.2.50 lakhs)
- ✓ Contribution to Sri Paramakalyani Education Society (Promoting education and also conservation of art and culture) Rs.5.00 lakhs (2021-22- Nil)
- ✓ Apprenticeship training under the apprentices act 1961 (Skill Training) Rs.9.75 lakhs (2021-22 Nil)

44. BASIC AND DILUTED EARNINGS PER SHARE

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows.

	For the year Ended March 31, 2023 ₹ In Lakhs	For the year ended March 31, 2022 ₹ In Lakhs
Profit/ (loss) for the year attributable to owners of the Company	173.60	821.48
Adjustments		-
Earnings used in the calculation of basic earnings per share	173.60	821.48
Profit/(loss) for the year from discontinued operations used in the calculation of basic earnings per share from discontinued operations		-
Earnings used in the calculation of basic earnings per share from continuing operations	173.60	821.48
	NOS	NOS
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	1,26,75,865	1,26,75,865
Basic and Diluted Earnings per share	1.37	6.48

45 DISCLOSURES ON LEASES

Company as Lessee

The Company has adopted Ind AS 116 Leases (Refer Note .57 (15)) with effect from April 1, 2019. All other lease arrangements on that date werer short term leases and the lease rentals recognized as an expense in the Statement of Profit and Loss. The following are the disclosures in terms of Ind AS 116:

45.1 Payments recognized as expense for non-cancellable lease

		For the year Ended March 31, 2023 ₹ In Lakhs	For the year ended March 31, 2022 ₹ In Lakhs
Maturity Analysis of future lease payments			
(a)	Not later than 1 year	139.29	81.66
(b)	Later than 1 year and not later than 5 years	406.46	334.09
(c)	Later than 5 years	-	118.70

45.2 Details of rental payment for contracts for which exemption is availed under IND AS 116 on account of the following

1.	Lease asset for low value asset (less than Rs 5 lakhs)	-	-
2.	Short term leases	78.12	77.07

45.3

	OTHER DISCLOSURES	Note No	Rs. Lakh March 31,2023	Rs. Lakh March 31,2023
(a)	Carrying value of right of use of (ROU) asset	1B	591.69	495.02
(b)	Depreciation charge for ROU asset	1B	159.82	113.80
(c)	Interest expense on lease liability	26	45.08	46.31
(d)	Total cash flow during the year for leases grouped in ROU		147.17	127.14
(e)	Additions to ROU	1B	256.49	7.76
(f)	Lease commitments for short term leases		78.12	77.07
(g)	Lease liability outstanding	13 & 17	545.75	534.45

Lease terms are negotiated on an individual basis and contain a range of different terms and conditions. The lease agreements do not impose any covenants other than that the company cannot provide the leased asset as security for its borrowings etc, nor can it be subleased without the permission of the lessor.

The lease payment are discounted using the company's incremental borrowing rate(8.75% and 7.95%) being the rate that the company would have to pay to borrow funds necessary to obtain an asset of similar value to ROU asset in a similar economic environment with similar terms, security and conditions.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

46. The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022

Sl. No	Particulars	Numerator	Denominator	Year ended March 31, 2023 Ratio	Year ended March 31, 2022 Ratio	Variance	Remarks
1	Current Ratio	Current assets	Current liabilities	0.99	1.05	-5.3%	
2	Debt Equity Ratio	Total Debt (Including lease liabilities)	Shareholder's Equity	0.91	1.01	-9.9%	The ratio has decreased due to increased borrowings including new lease agreement entered during the period.
3	Debt Service Coverage Ratio	Earnings available for debt service(1)	Debt Service(2)	0.82	1.35	-38.9%	The ratio has decreased due to lower profit during the period.
4	Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	0.02	0.08	-80.4%	The ratio has decreased due to lower profit during the period.
5	Inventory Turnover Ratio	Sales	Average Inventory	5.74	5.45	5.4%	
6	Trade Receivables turnover ratio	Revenue	Average Trade Receivable	4.52	4.41	2.7%	
7	Trade payables turnover ratio	Purchases of goods,services and other expenses	Average Trade Payables	3.45	3.62	-4.8%	
8	Net capital turnover ratio	Revenue	Working Capital	(217.74)	46.08	-572.5%	The ratio has decreased due to negative working capital.
9	Net profit ratio	Net Profit	Revenue	0.01	0.03	-82.2%	The ratio has decreased due to drop in contribution.
10	Return on Capital Employed	Earning before interest and taxes	Capital Employed(3)	0.06	0.09	-34.9%	The ratio has decreased due to lower profit during the period.
11	Return on Investment	Income generated from Investments	Time weighted average investments	0.01	0.00	13.3%	

1. Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc..

2. Debt service = Interest & Lease Payments + Principal Repayments

3. Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

47. RELATED PARTY DISCLOSURE	
a) List of parties having transactions with IP Rings Ltd	
Name of the Related Party	**Relationship**
Simpson & Company Ltd.	Holding Company
Amalgamations Private Ltd.	Holding Company of Simpson & Company Ltd.
IPR Eminox Technologies Private Limited	Joint Venture
Addison & Company Limited	Fellow Subsidiary
George Oakes Limited	Fellow Subsidiary
India Pistons Limited	Fellow Subsidiary
Tractors & Farm Equipment Limited	Fellow Subsidiary
IPL Shaw solutions Private Limited	Fellow Subsidiary
Associated Printers (Madras) Pvt Limited	Fellow Subsidiary
The Madras Advertising Company Pvt Limited	Fellow Subsidiary
Shardlow India Limited (merged with Simpson & Company Limited During the year)	Fellow Subsidiary
Bimetal Bearings Limited	Fellow Subsidiary
Wheel and Precision Forgings India Limited (merged with Simpson & Company Limited During the year))	Fellow Subsidiary
Amalgamations Repco Limited	Fellow Subsidiary
TAFE Advanced AG Solutions Limited	Fellow Subsidiary
L.M.Van Moppes Diamond Tools India Pvt Limited	Fellow Subsidiary
Wallace Cartwright & Company Limited, London	Fellow Subsidiary
United Nilgiri Tea Estates Company Limited	Associate of Holding Company
IP Rings Ltd Senior Executives Superannuation Fund	Controlled Trusts
IP Rings Ltd Employees Gratuity Fund	Controlled Trusts
Mr. A.Venkataramani - Managing Director	Key Managerial Personnel
Mr. R.Venkataraman - Chief Financial Officer	Key Managerial Personnel
Mr. Anantha Subramanian - Company Secretary (up to 05.10.2022)	Key Managerial Personnel
Mr. Premnatha Kamal - Company Secretary (From 11.11.2022)	Key Managerial Personnel
Mr. Muthalagu Govindarajan - Executive Director(up to 26.05.2023)	Key Managerial Personnel
Mr. Gautam Venkataramani	Relatives of Key Managerial Personnel
Mrs. Sita Venkataramani	Relatives of Key Managerial Personnel

b) List of parties not having transactions with IP Rings Ltd :	
Name of the Related Party	**Relationship**
Amco Batteries Limited	Fellow Subsidiary
Simpson & General Finance Company Limited	Fellow Subsidiary
TAFE International Traktor Ve Tarim Ekipmani Sanayi Ve Ticaret Limited	Fellow Subsidiary
Southern Tree Farms Limited	Fellow Subsidiary
TAFE Properties Limited	Fellow Subsidiary
Tafe Access Limited	Fellow Subsidiary
T.Stanes & Company Limited	Fellow Subsidiary
Stanes Motors (South India) Limited	Fellow Subsidiary
Associated Publishers (Madras) Pvt Limited	Fellow Subsidiary
Stanes Amalgamated Estates Limited	Fellow Subsidiary
Sri Rama Vilas Service Limited	Fellow Subsidiary
Speed-A-Way Pvt Limited	Fellow Subsidiary
W.J.Groom & Company Limited, London	Fellow Subsidiary
TAFE Reach Limited	Fellow Subsidiary
TAFE Motors & Tractors Limited	Fellow Subsidiary
Alpump Limited	Fellow Subsidiary
Tafe Tractors Changshu Company Limited, China	Fellow Subsidiary
Higginbothams Pvt Limited	Fellow Subsidiary
Amalgamations Valeo Cluch Private Limited	Associate of Holding Company
BBL Daido Private Limited	Associate of Holding Company

Note : As per sec 149(6) of Companies Act, 2013 independent directors are not considered as KMP. Also considering the roles & functions of independent director stated under schedule IV of Companies Act 2013 they have not been disclosed as KMP for the purpose of disclosure requirement as per Ind AS 24 Related Party

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

c) Details of Transactions with Related Parties :

(Rs. In Lakhs)

Name of the party	Year	Sale of goods	Rendering of services – Income	Purchase of goods	Purchase of Capital items	Sale of Capital items	Technical fee paid	Receiving of services – Expense	Management contracts including for deputation of employees	Loan taken (Loan Repaid)	Outstanding loans	Dividend Paid	Interest received	Issue of shares	Investments	Contribution to fund	Amounts Outstanding Dr /(Cr)
IPR Eminox Technologies Private Limited	2022-23		24.00	15.00											49.50		37.62
	2021-22		13.74	-											50.50		19.35
Bimetal Bearings Limited	2022-23	14.22	5.91					26.25									(24.02)
	2021-22	7.66	-	-	-	-	-	-	-	-	-	-	-	-		-	3.63
India Pistons Limited.	2022-23	1,920.15	125.06	255.62				-				25.40	134.37				1,855.97
	2021-22	1,567.59	125.95	546.87	-	-	-	52.53	-	-	-	17.14	54.30	-		-	1,356.03
George Oakes Limited	2022-23		9.80					18.00									(4.82)
	2021-22	-	7.20	-	-	-	-	18.00	-	-	-	-	-	-		-	2.15
Simpson & Co. Ltd.	2022-23	217.58	-					2.58				75.34					56.80
	2021-22	186.11	-	-	-	-	-	3.28	-	-	-	50.86	-	-		-	13.59
Tractors & Farm Equipment Limited	2022-23											28.80					-
	2021-22	-	-	-	-	-	-	-	-	-	-	19.44	-	-		-	-
Addison & Co. Limited	2022-23			2.97													(1.16)
	2021-22	-	-	3.91	-	-	-	-	-	-	-	-	-	-		-	-
Amalgamation Pvt Limited	2022-23							6.09				13.83					(6.75)
	2021-22	-	-	-	-	-	-	4.73	-	-	-	9.33	-	-		-	(1.30)
Amalgamation Repco Limited	2022-23							3.30									(4.20)
	2021-22	-	-	-	-	-	-	3.00	-	-	-	-	-	-		-	(0.90)
Associated Printers (M) Pvt Limited	2022-23							0.73									
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-
The Madras Company Advertising Co Limited	2022-23							0.34									
	2021-22	-	-	-	-	-	-	0.17	-	-	-	-	-	-		-	-
LM Van Moppes Diamond Tools India Limited	2022-23			2.51													(1.39)
	2021-22	-	-	3.84	-	-	-	-	-	-	-	-	-	-		-	(0.42)
Wallace Cartwright & Company Limited, London	2022-23			1.78	5.11			2.67									0.59
	2021-22			-	-			4.38									-
United Nilgiri Tea Estates Company Limited	2022-23											0.07					-
	2021-22	-	-	-	-	-	-	-	-	-	-	0.05	-	-		-	-
IP Rings Ltd Senior Executives Superannuation Fund	2022-23															23.10	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-		20.48	-
IP Rings Ltd Employees Gratuity Fund	2022-23															25.66	27.39
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-		87.11	20.62
Mr. N.Venkataramani	2022-23																
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-		-	
Mrs. Sita Venkataramani	2022-23											1.79					(0.35)
	2021-22	-	-	-	-	-	-	-	-	-	-	1.34	-	-		-	(0.35)
Mr.Gautam Venkataramani	2022-23											0.66					
	2021-22	-	-	-	-	-	-	-	-	-	-	0.49	-	-		-	-
Mr .A. Venkataramani #	2022-23							188.09				0.66					-
	2021-22	-	-	-	-	-	-	150.68	-	-	-	0.45	-	-		-	(0.10)
Mr. R. Venkataraman#	2022-23							47.65									
	2021-22	-	-	-	-	-	-	41.72	-	-	-	-	-	-		-	-
Mr.Ananth Subramanian#	2022-23							6.54									-
	2021-22	-	-	-	-	-	-	12.09	-	-	-	-	-	-		-	(0.08)
Mr. Premnatha Kamal#	2022-23							5.53									
	2021-22							-									
Mr. Muthalagu Govindarajan#	2022-23							46.25				0.02					
	2021-22	-	-	-	-	-	-	34.62	-	-	-	0.01	-	-		-	-

'The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

48. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the certain provisions of the Code will come into effect and the rules thereunder has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

49. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

50. The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

51. The Company has not accepted any deposit or amounts which are deemed to be deposits.

52. 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).

53. The company did not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

54. The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year

55. The company has complied with the number of layers prescribed under the Companies Act,2013 read with Companies (Restriction on number of Layers) Rules,2017.

56. Figures for the previous year have been regrouped / reclassified wherever necessary to make them comparable with current year figures.

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

57.A CORPORATE INFORMATION

IP Rings Limited ('the Company') or ('IPR') is engaged in the manufacture of engine and transmission components. The Company has manufacturing plant at Maraimalai nagar, Chennai. The Company is a public limited company and is listed on Bombay Stock Exchange. The functional currency of the Company is Indian Rupee. The financial statements, in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015., for the year ended 31st March 2023 were adopted by the Company as on 26th May 2023.

57.B STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation:

The financial statements have been prepared in accordance with Section 133 of Companies Act 2013, i.e., Indian Accounting Standards ('Ind AS') notified under Companies (Indian Accounting Standards) Rules 2015. The Ind AS financial statements are prepared on historical cost convention, except in case of certain financial instruments which are recognized at fair value at the end of the reporting period as rendered in the Accounting Policy No. 3 and on an accrual basis as a going concern.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Part I of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

Recent accounting pronouncements with respect to Companies Act, 2013

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

2. Use of Estimates

The preparation of the Ind AS financial statements in conformity with the generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance Sheet date, reported amount of revenue and expenses for the year and disclosure of contingent liabilities and contingent assets as of the date of Balance Sheet. The estimates and assumptions used in these Ind AS financial statements are based on management's evaluation of the relevant facts and circumstances as of the date of the Ind AS financial statements. The actual amounts may differ from the estimates used in the preparation of the Ind AS financial statements and the difference between actual results and the estimates are recognised in the period in which the results are known/materialize.

3. Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

a. Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest where the fair value differs from the Transaction Price. Where the fair value does not differ, materially, from Transaction Price, the financial liabilities are stated at transaction price only.

b. Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and cross currency interest rate swaps. Further details of derivative financial instruments are disclosed in Note No 39 Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item. The counterparty for these contracts is generally a bank.

Cash flow hedge

The Company designates certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on future foreign currency commitments.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the statement of profit and loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the statement of profit and loss.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the “Other Income” line item.

4. Property, Plant and Equipment

- ✓ Property, Plant and Equipment are stated at acquisition cost includes related duties, freight etc., and interest on borrowed funds if any directly attributable to acquisition/construction of qualifying fixed assets and is net of duty/ tax credit availed

- ✓ Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. In all such cases, the useful life of assets subsequently added to the parent asset are brought at par and depreciated in line with parent asset.

- ✓ Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment which are carried at cost are recognised in the Statement of Profit and Loss.

- ✓ Depreciation is provided straight line method, based on useful lives of assets in accordance with Schedule II of the Companies Act, 2013. In respect of certain machines extended useful life of 30 years is adopted for claiming depreciation under Schedule II to Companies Act, 2013 based on technical assessment obtained by the Company.

- ✓ Application software, Die and Core and New Product Development are amortized over a period of 3 years. Technical Knowhow is amortized over a period of 5 years.

- ✓ Residual value of 5% is retained in books for all assets other than the assets whose useful life has elapsed as on 01.04.2014 or those assets whose book value has already been reduced below 5% of acquisition cost.

5. Intangibles

The Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2015 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

De-recognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in profit or loss when the asset is derecognised.

6. Impairment

All assets other than inventories, investments and deferred tax asset, are reviewed for impairment, wherever events or changes in circumstances indicate that the carrying amount of those assets may not be fully recoverable, in such cases the carrying amount of such assets is reduced to its estimated recoverable amount and the amount of such impairment loss is charged to the Statement of Profit and Loss.

The company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be reckoned from initial recognition of the receivables.

If at the Balance Sheet date there is an indication that the previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

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

7. Investments

All Investments excluding investment in joint venture are carried at fair value. The changes in the fair value of Investments, which at the inception, have been designated to be held for a long term capital appreciation, are considered through Other Comprehensive Income. All other investments are valued at fair value and the gains or losses being recognised in Statement of Profit and Loss.

Impairment of Investments

The Company recognises an impairment loss in respect of its investments if there is lower business performance, economic slowdown and increased competition. The recoverable amount of the investments is being determined based on value in use. In assessing value in use, the estimated future cash flows were discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the investee for which the estimates of future cash flows have not been adjusted.

8. Inventories

✓ Inventories are valued at cost (as detailed below) or net realisable value, whichever is low. Costs includes cost of purchase (excluding credit availed under GST scheme), cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(i) Raw Materials and Stores	At weighted average cost.
(ii) Work-in-progress	At standard cost or net realisable value, whichever is lower.
(iii) Finished Goods	At standard cost or net realisable value, whichever is lower.
(iv) Goods in transit	At cost
(v) Loose Tools	At weighted average cost.

(b) Provision for Obsolescence

The Company has a policy of providing for obsolescence in inventory. The policy has specific timelines beyond which the inventory is analysed for its usefulness and any obsolete inventory is provided for.

(c) Customs Duty

Value of stocks at bonded warehouse, includes applicable Customs duty.

9. Foreign currency translation

Initial Recognition: On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition: As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All monetary assets and liabilities in foreign currency are restated at the end of the accounting period. Exchange differences on restatement of all monetary items are recognised in the Statement of Profit and Loss.

10. Revenue recognition

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. It also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. The company has adopted the modified retrospective method of applying Ind AS 115 Revenue from Contract with customers in its initial year of application.
Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally when the product is shipped to the customer. The revenue from sale of Rings, Pins and Orbital cold formed transmission products is based on the terms of the tender.
The Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or

service to the customer and when the customer pays for that good or service will be one year or less. Thus, there is no significant financing component.

Other Revenues

Other operating revenues comprise of income from ancillary activities (eg: scrap sales) incidental to the operations of the Company and is recognised when the right to receive the income is established as per the terms of the contract.
Service income is recognised as and when services are rendered as per the terms of the contract.

Revenue in respect of export benefits is recognised when the certainty of realisation of the benefit is established.

Revenue in excess of invoicing (referred to also as unbilled revenue) are classified as Contract Assets while invoicing in excess of revenues (referred to also as unearned revenue) are classified as Contract liabilities.

11. Other income

Interest: Interest income is calculated on effective interest rate, but recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend: Dividend income is recognised when the right to receive dividend is established.

Insurance Claim: Insurance Claims are recognised when the claims are assessed to be receivable.

Rental Income: Rental income from operating leases is accrued based on the terms of the relevant lease.

12. Employee benefits

(I) Post-Employment Benefits

(a) Defined Contribution Plans:

(i) Contribution to Provident Fund

The Company makes monthly Provident Fund contributions at specified percentage of specified salary in accordance with the provisions of Employees Provident Funds and Miscellaneous Provisions Act 1952 which is charged to the Statement of Profit and Loss.

(ii) Contribution to Superannuation Fund

The Company makes annual Superannuation Fund contributions to defined contribution plan, administered by Life Insurance Corporation of India, for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of specified salary to fund the benefits. The contribution is charged to the Statement of Profit and Loss.

(b) Defined Benefit Plans:

(i) Gratuity
In accordance with The Payment of Gratuity Act 1972, the Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a payment to vested employees at retirement, death while in employment or on termination of employment, an amount equivalent to 15 days' salary payable for each year of completed service, subject to maximum amount as may be prescribed. Vesting occurs upon completion of five years of service, except in case of death while in employment in which case the legal heirs would receive the gratuity.

The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. The retirement benefit obligation recognized as expenditure represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets.

The Company makes contribution to Life Insurance Corporation of India to administer the fund. The changes in the actuarial assumptions are accounted through Other Comprehensive Income.

(ii) Compensated absences:

The Company provides for the encashment of leave or leave with pay subject to the company policy (The employees are paid in excess of the accumulated leave for the year). The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation.

(iii) Short Term employee benefits

The undiscounted amount of short-term employee benefits, expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the services.

13. Current and deferred tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the temporary differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward losses or MAT Credit, deferred tax assets are recognised only if there is a reasonable certainty supported by convincing evidence that they can be realised against future taxable profits. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

14. Provisions and contingent liabilities

Provisions: Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Current Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets: Contingent Assets are disclosed when there is a possible benefit expected from past events, the existence of which will be confirmed only the occurrence or non-occurrence of one or more uncertain future events not wholly within the Control of the Company.

Product Warranty Expenses: Product Warranty expenses are accounted based on the claims received and accepted during the year and estimates in accordance with the warranty policy of the Company.

15. Leases

The Company, at the inception of a contract, assesses whether the contract is a lease or not a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 01, 2019.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made on or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in the future lease payments arising from a change in an index rate or is there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets (assets of less than Rs 5 lakhs in value). The Company recognises the lease payments associated with these leases as an expense over the lease term.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

16. Segment Accounting

The Company operates in single segment. Operating segment is reported in a manner consistent with the internal reporting provided to the chief decision maker. Refer Note 40 for segment information presented.

17. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

18. Cash and cash equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

19. Contributed Equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

20. Dividend

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as liability on the date of declaration by the Board.

21. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

22. Government Grants

Government grants (including export incentives) are recognised when there is reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

23.Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Investments in equity instruments of joint venture:

The Company measures its investments in equity instruments of joint ventures at cost in accordance with Ind AS 27

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IP RINGS LIMITED

Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **IP RINGS LIMITED** (the "Parent", the "Group") and the Group's share of loss in its joint venture, which comprise the Consolidated Balance Sheet as at 31 March, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditor on separate financial statements of the joint venture referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its joint venture 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 consolidated 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 and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter Description	Response to Key Audit Matter
Revenue Recognition Reference may be made to Note 60(11) of significant accounting policies and Note 22 and 29 to the consolidated financial statements of the Company. Revenue recognition is inherently an area of audit risk, which we have focused on mainly covering the aspects of cut off. Considering the above, impact of Ind AS 115 and cut-off are considered by us as key audit matters.	**Principal Audit Procedures** Our audit procedures relating to revenue comprised of test of controls and substantive procedures including the following: i. We performed procedures to assess the design and internal controls established by the management and tested the operating effectiveness of relevant controls related to the recognition of revenue. ii. Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination

	of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. iii. We have tested, on a sample basis, whether specific revenue transactions around the reporting date has been recognised in the appropriate period by comparing the transactions selected with relevant underlying documentation, including goods delivery notes, customer acknowledgement/proof of acceptance and the terms of sales. iv. We have also validated subsequent credit notes and sales returns up to the date of this Report to ensure the appropriateness and accuracy of the revenue recognition. v. We tested journal entries on a sample basis to identify any unusual or irregular items. vi. We also considered the adequacy of the disclosures in Company's consolidated financial statements in relation to Ind AS 115 and were satisfied they meet the disclosure requirements. ***Conclusion*** Based on the procedures performed above, we did not find any material exceptions with regards to timing of revenue recognition and disclosure requirement of Ind AS 115 in the consolidated financial statements.
Impairment in Trade Receivables Reference may be made to Note 5 to the consolidated financial statements of the Company. The Group is exposed to potential risk of financial loss when there is the risk of default on receivables from the customers for which the Management would make specific provision against individual balances with reference to the recoverable amount. Such provision/allowance for credit losses is based on historical experience adjusted to reflect current and estimated future economic conditions. For the purpose of impairment assessment, significant judgements and assumptions, including the credit risks of customers, the timing and amount of realization of these receivables, are required for the identification of impairment events and the determination of the impairment charge. In view of the above, we identified allowance for credit losses as a key audit matter since significant judgement is exercised in calculating the expected credit losses/impairment charge.	**Principal Audit Procedures** We have performed the following procedures in relation to the recoverability of trade receivables and computing allowance for credit losses : • Tested the effectiveness of the control over the methodology for computing the allowance for credit losses, including consideration of the economic conditions and completeness and accuracy of information used in the estimation of probability of default. Tested the accuracy of aging of trade receivables at year end on a sample basis. • Obtained a list of outstanding receivables and identified any debtors with financial difficulty through discussion with management. • Assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers

	and to consider if any additional provision should be made; • Tested subsequent settlement of trade receivables after the balance sheet date on a sample basis. **Conclusion** Based on the above procedures we found the key judgements and assumptions used by management in the recoverability assessment of trade receivables to be supportable based on the available evidence and consequently are satisfied on the sufficiency of provisions/allowance for credit losses.
Allowance for inventory obsolescence Refer to note 60(9)(b) of the consolidated financial statements. The Parent Company holds significant inventories and records allowance for identified and estimated inventory obsolescence. As at 31st March 2023, the Company had inventories of Rs.5972.34 lakhs. The Parent Company provides for obsolescence of Inventory considering the inventory on hand, existing/probable customer orders, the production plan, expected utilisation in production and expected sales. Further the estimates are validated by technological changes/legislative changes in the auto business and trends of the obsolescence in the past. The obsolescence covers inventory under Raw material, work-in-progress, and finished goods. Given the significant judgment involved in management's assessment, the allowance for inventory obsolescence is identified as a key audit matter	**Our audit procedures in respect of this matter included:** Understood management policy and process for identification of providing of obsolete inventory, including performing testing of controls to assess the effectiveness of the same. Reviewed the management's judgement applied in calculating the value of inventory obsolescence, taking into consideration the expected changes in auto industry and management assessment of the present and future condition of the inventory. Assessed the adequacy of the relevant disclosure in the notes to the consolidated financial statements. **Conclusion** Based on the above procedures performed, we consider the provision for inventory obsolescence to be reasonable.

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

The Parent's Board of Directors is responsible for the preparation of other information in their Report to members, etc. The other information comprises the information included in the Annual report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the joint venture audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the joint venture is traced from their financial statements audited by the other auditors. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility for the Financial Statements.

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its joint venture in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint venture 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture are also responsible for overseeing the financial reporting process of the Group and of its joint venture.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Parent company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture 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 consolidated 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 Group and its joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Parent Company, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The consolidated financial statements also include the Group's share of net loss of Rs.6.82 lakhs for the year ended 31 March, 2023, as considered in the consolidated financial statements, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint venture, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint venture is based solely on the reports of the other auditors.
Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the joint venture referred to in the Other Matters section above we report, to the extent applicable 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 of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other Comprehensive income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with the relevant rules issued thereunder.

e. On the basis of the written representations received from the directors of the Parent Company as on March 31, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its joint venture Company incorporated in India, none of the directors of the Group companies, its joint venture company incorporated in India is disqualified as on 31 March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in “Annexure A” which is based on the auditors' reports of the Parent and joint venture company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

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, remuneration paid by the Parent Company to it’s directors during the year is in compliance with the provisions of Section 197, read with Schedule V of the Act.

h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanation given to us:

I. The Group has disclosed the impact of pending litigations on its financial position in its consolidated Financial Statements. (Refer Note 30)

II.The Group has long-term contracts including derivative contracts for which there were no material foreseeable losses as at March 31,2023.

III.There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company.

IV.(a) The Parent Management has represented that, to the best of it’s knowledge and belief, as disclosed in the note 48 to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 Parent Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 47 to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 mis-statement.

V.The final dividend declared for the previous year and paid by the Parent Company during the year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
As stated in note 10.7 to the consolidated financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend so proposed is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

VI.Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company and its joint venture with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its joint venture included in the consolidated financial statements of the Company, to which reporting under CARO is not applicable, we report that there are no qualifications or adverse remarks in the CARO report.

For M.S. Krishnaswami & Rajan
Chartered Accountants-
Registration No. 01554S

M.S. Murali - *Partner*
Membership No. 26453
UDIN: 23026453BGWYRZ1356
May 26,2023
Chennai

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of IP RINGS LIMITED)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls Over Financial Reporting of **IP RINGS LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date. This report does not include the report on the internal financial controls of the joint venture, since the said report on internal financial controls is not applicable to the joint venture.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Parent Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Parent Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the parent Company has maintained, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2023, based on the internal control over financial reporting criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M.S.Krishnaswami & Rajan Chartered Accountants Registration No. 01554S   M.S. Murali - *Partner* Membership No. 26453
UDIN: 23026453BGWYRZ1356 May 26,2023 Chennai

CONSOLIDATED BALANCE SHEET

PARTICULARS	Note No.	As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
ASSETS			
Non-current assets			
Property, Plant and Equipment	1A	14534.89	14,599.83
Capital work-in-progress	1A	209.56	454.47
Right-of-use assets	1B	591.69	495.02
Intangible assets	1C	244.25	317.01
Financial assets			
- Investments	2A	93.08	49.89
- Other Financial Assets	2B	101.50	197.56
Income tax assets (net)	2C	204.40	121.67
Other non-current assets	3	199.28	237.08
Current assets			
Inventories	4	5972.34	5,285.29
Financial assets			
(i) Trade receivables	5	7565.03	6,728.25
(ii) Cash and cash equivalents	6	551.64	339.84
(iii) Bank balances other than (ii) above	7	45.70	8.13
(iv) Other financial assets	8	375.41	143.80
Current Tax Assets	9	214.75	214.75
Other current assets	9A	688.80	876.34
TOTAL ASSETS		**31,592.32**	**30,068.93**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	10	1267.59	1,267.59
Other equity	11	9822.32	9,915.93
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	12	4131.42	5,046.83
(ii) Lease liabilities	13	406.46	452.79
(iii) Other financial liabilities	13	-	7.62
Provisions	14	137.77	122.67
Deferred tax liabilities (Net)	15	264.61	250.89
Current liabilities			
Financial liabilities			
(i) Borrowings	16	5460.96	5,758.34
(ii) Lease liabilities	17	139.29	81.66
(iii)Trade payables	18		
a) Total outstanding dues of Micro and Small Enterprises		1018.50	296.42
b) Total outstanding dues other than Micro and Small Enterprises		8180.93	6,020.93
(iv) Other financial liabilities	19	625.09	607.04
Other current liabilities	20	110.52	215.83
Provisions	21	26.86	24.39
TOTAL EQUITY AND LIABILITIES		**31,592.32**	**30,068.93**

The accompanying notes form an integral part of the CONSOLIDATED financial statements
This is the Balance sheet referred to in our Report of even date

For M S Krishnaswami & Rajan	**A VENKATARAMANI**	**R. VENKATARAMAN**
Chartered Accountants	**Managing Director**	**Chief Financial Officer**
Firm Registration No: 01554S	**DIN: 00277816**	
M S Murali	**M. GOVINDARAJAN**	**VIKRAM VIJAYARAGHAVAN**
Partner	**Director**	**Director**
Membership No. 26453	**DIN: 09264840**	**DIN: 01944894**
UDIN: 23026453BGWYRZ1356		
Chennai	**K PREMNATHA**	
26-May-2023	**Company Secretary**	

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

Particulars	Note No.	For the year Ended March 31, 2023 ₹ In Lakhs	For the year Ended March 31, 2022 ₹ In Lakhs
Income			
Revenue From Operations	22	32,329.56	27,271.49
Other Income	23	334.23	229.35
Total Income		32,663.79	27,500.84
Expenses			
Cost of Materials Consumed	24	11,820.43	9,262.68
Changes in Inventories of Finished goods and Work-in-Progress	25	(571.05)	(1,075.23)
Employee Benefits Expense	26	3,004.13	2,876.43
Finance Costs	27	1086.98	1,002.29
Depreciation and Amortization Expense	1.A,1.B,1.C	1594.79	1,434.18
Other Expenses	28	15,489.89	12,895.46
Total Expenses		32,425.17	26,395.81
Profit/ (loss) before Share of Loss from Joint Venture, exceptional items and tax		238.62	1,105.03
Share of loss from Joint venture		(6.82)	(1.87)
Profit/ (loss) before exceptional items and tax		231.80	1103.16
Exceptional items			-
Profit/ (loss) before tax		231.80	1,103.16
Tax Expense:			
Current tax - Current Year		44.65	186.73
- Previous Year		3.80	15.20
MAT Credit Entitlement		(48.45)	(189.66)
Deferred tax		65.02	271.28
Total Tax expense		65.02	283.55
Profit/ (loss) for the year	(A)	166.78	819.61
Other Comprehensive Income (OCI)			
A. i. Items that will not be reclassified to Profit or Loss			
– Remeasurement of Defined Benefit Plans		(10.23)	20.32
– Fair valuation of investments valued through OCI-Gain/(Loss)		0.51	0.08
ii. Income tax relating to items that will not be reclassified to Profit or Loss		2.85	(5.65)
B. i. Items that will be reclassified to profit or loss			
– Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge			-
Total Other Comprehensive Income	(B)	(6.87)	14.75
Total Comprehensive Income	(A+B)	159.91	834.36
Profit / (loss) attributable to equity share holders		166.78	819.61
Earnings per Equity Share, Face Value of the Share Rs.10/-			
- Basic & Diluted	43	1.32	6.47

The accompanying notes form an integral part of the CONSOLIDATED financial statements
This is the Statement of Profit and loss referred to in our Report of even date

For M S Krishnaswami & Rajan
Chartered Accountants
Firm Registration No: 01554S

M S Murali
Partner
Membership No. 26453
UDIN: 23026453BGWYRZ1356
Chennai
26-May-2023

A VENKATARAMANI
Managing Director
DIN: 00277816

R. VENKATARAMAN
Chief Financial Officer

M. GOVINDARAJAN
Director
DIN: 09264840

VIKRAM VIJAYARAGHAVAN
Director
DIN: 01944894

K PREMNATHA
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

PARTICULARS		For the year Ended March 31, 2023 ₹ In Lakhs	For the year Ended March 31, 2022 ₹ In Lakhs
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/ (Loss) before tax		231.80	1,103.16
Adjustments for :			
Provision for Doubtful debts made – Net		39.09	(14.95)
Share of loss Joint Venture		6.82	1.87
Bad debts written off		0.14	4.12
Provision for Inventory		-	8.28
Unrealized exchange fluctuation		44.40	81.92
Depreciation		1,594.79	1,434.18
Interest Expense		1,086.98	1,002.29
Interest Income		(148.99)	(60.05)
Loss/(Profit) on sale of fixed assets		7.99	(0.25)
Operating profit/(Loss) before working capital changes		2,863.02	3,560.57
Adjustments for changes in:			
(Increase)/ Decrease in Trade receivables		(907.76)	(1,121.23)
(Increase)/ Decrease in Inventories		(687.05)	(572.90)
(Increase) /Decrease in Other Financial Assets		(78.55)	(15.35)
(Increase)/Decrease in Other Current Assets		187.54	(278.68)
Increase / (Decrease) in Non Current provisions		15.10	21.79
Increase / (Decrease) in Trade Payables		2,887.31	990.77
Increase / (Decrease) in Other Financial Liabilities		168.50	(206.90)
Increase /(Decrease) in Other Current Liabilities		(105.31)	66.92
Increase / (Decrease) in Current Provisions		2.47	(14.86)
Cash flow from operations		4,345.27	2,430.13
Income Tax paid		(131.18)	(153.20)
NET CASH FLOW FROM OPERATING ACTIVITIES	[A]	4,214.09	2,276.93
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for acquisition of assets – Net		(1,228.86)	(2,638.82)
Receipts from disposal of fixed Assets		25.42	0.50
(Increase) / Decrease in Other Non Current Assets - Capital advances		37.80	202.81
Increase / (Decrease) in Capital Creditors		(205.89)	(227.07)
Interest received		148.99	60.05
Investment in joint venture		(49.50)	(50.50)
NET CASH FLOW (USED IN) INVESTING ACTIVITIES	[B]	(1,272.04)	(2,653.03)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Long term borrowings		1,745.15	3,315.40
Repayment of long term borrowings		(2,368.96)	(1,442.91)
Proceeds from short term borrowings		1,935.62	2,088.98
Repayment of short term borrowings		(2542.46)	(2,475.48)
Interest paid		(1,041.91)	(955.98)

CONSOLIDATED CASH FLOW STATEMENT

PARTICULARS		For the year Ended March 31, 2023 ₹ In Lakhs	For the year Ended March 31, 2022 ₹ In Lakhs
Investment in fixed deposit		(57.00)	(155.00)
Payment of Dividend*		(253.52)	(190.14)
Payment of lease liability		(147.17)	(127.14)
NET CASH FLOW FROM FINANCING ACTIVITIES	**[C]**	**(2,730.25)**	**57.73**
NET CASH INFLOW	**[A+B+C]**	**211.80**	**(318.37)**
Opening Cash and Cash Equivalents	**[D]**	**339.84**	**658.21**
Closing Cash and Cash Equivalents	**[E]**	**551.64**	**339.84**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**[E-D]**	**211.80**	**(318.37)**

*Net of earmarked balances

Previous figures have been regrouped/reclassified wherever necessary

The accompanying notes form an integral part of the CONSOLIDATED financial statements

This is the Cash Flow Statement referred to in our Report of even date

For M S Krishnaswami & Rajan
Chartered Accountants
Firm Registration No: 01554S

M S Murali
Partner
Membership No. 26453
UDIN: 23026453BGWYRZ1356

Chennai
26-May-2023

A VENKATARAMANI
Managing Director
DIN: 00277816

R. VENKATARAMAN
Chief Financial Officer

M. GOVINDARAJAN
Director
DIN: 09264840

VIKRAM VIJAYARAGHAVAN
Director
DIN: 01944894

K PREMNATHA
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED MARCH 31, 2023

A. Equity Share Capital (₹ In Lakhs)

Balance as at April 01, 2022	Changes in Equity Share Capital due to prior period errors	Restated Balance as at April 01, 2022	Changes in equity share capital during the year	Balance as at March 31, 2023
1,267.59	-	1,267.59	-	1,267.59

Balance as at April 01, 2021	Changes in Equity Share Capital due to prior period errors	Restated Balance as at April 01, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022
1,267.59	-	1,267.59	-	1,267.59

B. Other Equity

PARTICULARS	Reserves & Surplus			Items of other comprehensive Income		Total
	General Reserve	Securities Premium Reserve	Retained Earnings	Remeasurement of defined benefit plans	Fair Value Adjustment for investment	
Balance as at April 01,2022	**3,015.27**	**5,302.25**	**1,722.72**	**(124.12)**	**(0.19)**	**9,915.93**
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance as at April 1, 2022	3,015.27	5,302.25	1,722.72	(124.12)	(0.19)	9,915.93
Total Comprehensive Income for the current year	-	-	166.78	(7.38)	0.51	159.91
Dividends			(253.52)			(253.52)
Balance as at March 31, 2023	**3,015.27**	**5,302.25**	**1,635.98**	**(131.50)**	**0.32**	**9,822.32**
Balance as at April 01, 2021	**3,015.27**	**5,302.25**	**1,093.25**	**(138.79)**	**(0.27)**	**9271.71**
Changes in accounting policy or prior period errors	-	-			-	-
Restated balance as at April 1, 2021	3,015.27	5,302.25	1093.25	(138.79)	(0.27)	9271.71
Total Comprehensive Income for the current year	-	-	819.61	14.67	0.08	834.36
Dividends	-	-	(190.14)	-	-	(190.14)
Balance as at March 31, 2022	**3,015.27**	**5,302.25**	**1,722.72**	**(124.12)**	**(0.19)**	**9,915.93**

a) In accordance with provisions of Para 122 of Ind AS 19, the company has transferred all re-measurement costs recognised in the past periods upto April 1, 2015 within the accumulated profit or loss (a component of equity).

b) The above amount (other than the balance in Securities Premium Reserve) are generally available for distribution of dividend subject to the provisions of the Companies Act, 2013.

C) Share application money pending allotment, Equity component of Compound financial instruments, Capital Reserves, Securities Premium, Debt/ Equity Instruments through OCI, Effective portion of Cash Flow hedges, Revaluation surplus etc. Rs. Nil (FY 2021-22 Rs.Nil)

This is the Statement of Changes in Equity referred to in our Report of even date

For M S Krishnaswami & Rajan
Chartered Accountants
Firm Registration No: 01554S

M S Murali
Partner
Membership No. 26453
UDIN: 23026453BGWYRZ1356
Chennai
26-May-2023

A VENKATARAMANI
Managing Director
DIN: 00277816

R. VENKATARAMAN
Chief Financial Officer

M. GOVINDARAJAN
Director
DIN: 09264840

VIKRAM VIJAYARAGHAVAN
Director
DIN: 01944894

K PREMEMNATHA
Company Secretary

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1.A PROPERTY, PLANT AND EQUIPMENT (PPE) (2022- 23 ₹ In Lakhs)

DESCRIPTION	GROSS CARRYING AMOUNT				DEPRECIATION / IMPAIRMENT				NET CARRYING AMOUNT
PROPERTY, PLANT AND EQUIPMENT	01.04.2022	Additions / Adjustments	(Disposals)	31.03.2023	Upto 31.03.2022	Charge during the year	(Disposals)	Upto 31.03.2023	As at 31.03.2023
Land - Freehold	**33.90**		-	**33.90**	-	-	-	-	**33.90**
Buildings	**2,642.96**	56.77	-	**2,699.73**	505.10	100.13	-	605.23	**2,094.50**
Plant & Machinery	**16,442.19**	811.51	-	**17,253.70**	5,075.42	1,041.82	-	6,117.24	**11,136.46**
Electrical Installations	**1,089.79**	70.48	-	**1,160.27**	397.36	86.03	-	483.39	**676.88**
Furniture & Fixtures	**116.71**	70.61	-	**187.32**	56.85	11.09	-	67.94	**119.38**
Vehicles	**288.24**	174.86	(67.66)	**395.44**	130.05	33.79	(34.25)	129.59	**265.85**
Office Equipment	**383.14**	104.95	-	**488.09**	232.32	47.85	-	280.17	**207.92**
TOTAL	**20,996.93**	**1,289.18**	(67.66)	**22,218.45**	**6,397.10**	**1,320.71**	**(34.25)**	**7,683.56**	**14,534.89**

DESCRIPTION	01.04.2022	-	Additions	-	-	-	Capitalized	-	As at 31.03.2023
Capital Work - in – Progress	454.47	-	1,044.27	-	-	-	(1,289.18)	-	**209.56**

CAPITAL-WORK-IN PROGRESS AGING SCHEDULE

DESCRIPTION	Less than 1 Year	1 – 2 Years	2 – 3 Years	More than 3 years	Total
Projects in Progress	208.47	0.82	-	-	209.56

1.A PROPERTY, PLANT AND EQUIPMENT (PPE) (2021- 22 ₹ In Lakhs)

DESCRIPTION	GROSS CARRYING AMOUNT				DEPRECIATION / IMPAIRMENT				NET CARRYING AMOUNT
PROPERTY, PLANT AND EQUIPMENT	01.04.2021	Additions / Adjustments	(Disposals)	31.03.2022	Upto 31.03.2021	Charge during the year	(Disposals)	Upto 31.03.2022	As at 31.03.2022
Land - Freehold	33.90	-	-	33.90	-	-	-	-	33.90
Buildings	2,589.14	53.82	-	2,642.96	406.68	98.42	-	505.10	2,137.86
Plant & Machinery	14,641.25	1,800.94	-	16,442.19	4,081.12	994.30	-	5,075.42	11,366.77
Electrical Installations	903.19	186.60	-	1,089.79	314.84	82.52	-	397.36	692.43
Furniture & Fixtures	107.42	9.29	-	116.71	46.39	10.46	-	56.85	59.86
Vehicles	242.25	46.44	(0.45)	288.24	99.52	30.83	(0.30)	130.05	158.19
Office Equipment	308.53	76.00	(1.39)	383.14	195.15	38.46	(1.29)	232.32	150.82
TOTAL	**18,825.68**	**2,173.09**	**(1.84)**	**20,996.93**	**5,143.70**	**1,254.99**	**(1.59)**	**6,397.10**	**14,599.83**

DESCRIPTION	01.04.2021	-	Additions	-	-	-	Capitalized	-	As at 31.03.2022
Capital Work - in – Progress	192.48		2,435.08				(2,173.09)		**454.47**

CAPITAL-WORK-IN PROGRESS AGING SCHEDULE

DESCRIPTION	Less than 1 Year	1 – 2 Years	2 – 3 Years	More than 3 years	Total
Projects in Progress	**454.47**	-	-	-	**454.47**

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. The Company makes periodical assessment of the PPE considering product and technological obsolescence, process change, replacement and Beyond Economic Repair (BER) and other factors and accordingly, brings down the carrying value to its current fair value less cost of disposal to recognize the impairment, if any, through Statement of profit and loss . Impairment loss recognised during the year Rs.Nil (2022-Nil).

2. For amount of contractual commitments for the acquisition of PPE (Refer Note 31)

3. In terms of Ind AS 101 and the Clarifications issued by the Institute of Chartered Accountants of India, the carrying value of all PPE as on April 01, 2015 (i.e Gross cost less Depreciation/ amortisation upto that date) as per previous GAAP has been considered as deemed cost on the date of transition to Ind AS. The data above is accordingly stated.

4. For details of assets given as security against borrowings, Refer Note 12(a)

5. There are no overdue/overrun projects in CWIP

6. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 and March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

7. Capital Work in Progress (CWIP) whose completion is overdue or has exceeded its cost compared to its original plan - Nil (2021-22 Nil)

8. CWIP is to be completed in less than 1 year.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1.B NON-CURRENT ASSETS - RIGHT OF USE OF ASSETS						(2022-23 ₹ In Lakhs)			
DESCRIPTION	GROSS CARRYING AMOUNT				AMORTISATION / IMPAIRMENT				NET CARRYING AMOUNT
RIGHT-TO-USE ASSET	01.04.2022	Additions	(Disposals)/ Adjustments	31.03.2023	Upto 31.03.2022	Charge during the year	(Disposals) /Adjustments	Upto 31.03.2023	As at 31.03.2023
Server and Storage	44.93	-	(44.93)	-	43.66	1.27	(44.93)	-	-
Leasehold Land	605.89	256.49	-	862.38	112.14	158.55	-	270.69	591.69
TOTAL	**650.82**	**256.49**	**(44.93)**	**862.38**	**155.80**	**159.82**	**(44.93)**	**270.69**	**591.69**

1.B NON-CURRENT ASSETS - RIGHT OF USE OF ASSETS						(2021-22 ₹ In Lakhs)			
DESCRIPTION	GROSS CARRYING AMOUNT				AMORTISATION / IMPAIRMENT				NET CARRYING AMOUNT
RIGHT-TO-USE ASSET	01.04.2021	Additions	(Disposals)/ Adjustments	31.03.2022	Upto 31.03.2021	Charge during the year	(Disposals) /Adjustments	Upto 31.03.2022	As at 31.03.2022
Server and Storage	44.93	-	-	44.93	29.54	14.12	-	43.66	1.27
Leasehold Land	598.13	7.76	-	605.89	12.46	99.68	-	112.14	493.75
TOTAL	**643.06**	**7.76**	**-**	**650.82**	**42.00**	**113.80**	**-**	**155.80**	**495.02**

Note:

1. Escalation clause – the percentage of escalation is upto a maximum of 10%
2. Discount rate used for the purpose of computing Right to Use asset ranges from 7.95% to 8.75% p.a.
3. Rental amount (undiscounted) per annum ranges from Rs. 42.00 Lakhs to Rs. 120.40 lakhs which also carries a clause for extension of agreement based on mutual understanding between lessor and lessee.
4. The lease period ranges from 36 months to 72 months over which the Right-to-use asset is depreciated on a straight line basis.
5. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreement does not impose any major covenants other than the security interests in the leased assets that are held by the lessor. Leased assets are not used as security for borrowing purposes.
6. Lease agreements are duly executed in favour of the Company

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1.C INTANGIBLE ASSETS									(2022-23 ₹ In Lakhs)
DESCRIPTION	GROSS CARRYING AMOUNT				AMORTISATION / IMPAIRMENT				NET CARRYING AMOUNT
INTANGIBLE ASSETS	01.04.2022	Additions	(Disposals)	31.03.2023	Upto 31.03.2022	Charge during the year	(Disposals)	Upto 31.03.2023	As at 31.03.2023
Technical Knowhow Fee	111.54	-	-	111.54	111.54	-	-	111.54	-
Computer software – Acquired	224.25	41.50	-	265.75	95.08	49.74	-	144.82	120.93
Product Development - Acquired	0.01	-	-	0.01	0.01	-	-	0.01	-
Product Development - Internally Generated	309.60	-	-	309.60	121.76	64.52	-	186.28	123.32
TOTAL	645.40	41.50	-	686.90	328.39	114.26	-	442.65	244.25

DESCRIPTION	01.04.2022	Additions	Capitalization	As at 31.03.2023
Capital Work in Progress		41.50	(41.50)	

1.C INTANGIBLE ASSETS									(2021-22 ₹ In Lakhs)
DESCRIPTION	GROSS CARRYING AMOUNT				AMORTISATION / IMPAIRMENT				NET CARRYING AMOUNT
INTANGIBLE ASSETS	01.04.2021	ADDITIONS	(DISPOSALS)	31.03.2022	UPTO 31.03.2021	CHARGE DURING THE YEAR	(DISPOSALS)	UPTO 31.03.2022	AS AT 31.03.2022
Technical Knowhow Fee	111.54	-	-	111.54	111.54	-	-	111.54	-
Computer software – Acquired	224.25	-	-	224.25	45.60	49.48	-	95.08	129.17
Product Development - Acquired	0.01	-	-	0.01	0.01	-	-	0.01	-
Product Development - Internally Generated	105.86	203.74	-	309.60	105.85	15.91	-	121.76	187.84
TOTAL	441.66	203.74	-	645.40	263.00	65.39	-	328.39	317.01

DESCRIPTION	01.04.2021	Additions	Capitalization	As at 31.03.2022
Capital Work in Progress		203.74	(203.74)	

1	The Company makes periodical assessment of the Intangible Assets considering product and technological obsolescence, process change, replacement and Beyond Economic Repair (BER) and other factors and accordingly, brings down the carrying value to its current fair value less cost of disposal to recognize the impairment, if any, through Statement of profit and loss . Impairment loss recognised during the year Rs.Nil (2022-Nil).
2	For amount of contractual commitments for the acquisition of Intangible Assets (Refer Note 31)
3	In terms of Ind AS 101 and the Clarifications issued by the Institute of Chartered Accountants of India, the carrying value of all Intangible Assets as on April 01, 2015 (i.e Gross cost less Depreciation/ amortisation upto that date) as per previous GAAP has been considered as deemed cost on the date of transition to Ind AS. The data above is accordingly stated.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

			As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
2A.	**NON-CURRENT FINANCIAL ASSETS – INVESTMENTS**			
	A. Investments in Equity Instruments (unquoted)			
	1) Joint Venture (at cost)			
	1000000 (2022: 505000) equity shares of Rs.10 (2022:10) each fully paid in IPR Eminox Technologies Private Limited			
	Cost of Acquisation		100.00	50.50
	Less – Group Share of Loss		(8.69)	(1.87)
	Carrying Amount Investment		91.31	48.63
	2) Others (at fair value through OCI)			
	5600 (2022: 5600) equity shares of Rs 10 (2022: Rs 10) each fully paid in K.Ramakrishnan Clean Energy Pvt Ltd		0.56	0.56
	B. Investments in Equity Instruments (quoted) - (at fair value through OCI)			
	1815 (2022: 1815) equity shares of Rs.2 (2022: Rs 2) each fully paid in Union Bank of India (Quoted) - Market Value being Rs.66.55 per share (2022: Rs.38.70 per share)		1.21	0.70
	Refer Note 41		93.08	49.89

2B.	**NON-CURRENT OTHER FINANCIAL ASSETS – LOANS**		
	Security Deposits - Lease Rent Deposits	44.50	47.56
	Bank deposit with original maturity of greater than 12 months	57.00	150.00
		101.50	197.56
2C.	**NON-CURRENT INCOME TAX ASSETS (NET)**		
	Advance Income Tax (net of provision)	204.40	121.67
		204.40	121.67
3.	**NON-CURRENT ASSETS – OTHERS**		
	Capital Advances	199.28	237.08
		199.28	237.08
4.	**INVENTORIES***		
	a. Raw materials	1,588.32	1,499.57
	b. Work-in-progress	1,522.45	1,136.79
	c. Finished goods	2,063.99	1,878.60
	d. Stores	797.58	770.33
		5972.34	5,285.29
	Goods in Transit Comprises of		
	Raw materials	85.75	21.93
	Stores		-
	Finished Goods	24.11	15.71
	* Net off provision made for slow- and non-moving stock.		
	Movement in provision is as follows:		
	Opening	193.77	185.49
	Add: Additions	-	8.28
	Closing	193.77	193.77

- Cost of material consumed (including cost of purchased goods) during the year is Rs 11,249.38 lakhs (2021-22: Rs 8,187.45 lakhs) reflected in Notes 24 and 25.
- Refer Note 12(a) for details of inventories pledged as security for liabilities.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

		As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
5.	**TRADE RECEIVABLES**		
	a. Unsecured considered good	7,565.03	6,728.25
	b. Unsecured considered doubtful	49.52	10.43
	c. Less: Allowance for Credit Loss	(49.52)	(10.43)
		7,565.03	6,728.25
	Note:		
	Movement in loss allowance is as follows:		
	Opening	10.43	25.38
	Add: Additions	39.23	-
	Less: Reversal	(0.14)	(14.95)
	Closing	49.52	10.43
	Refer Note 45 (c) for receivables from related parties		
	5.1 These are carried at amortised cost.		
	5.2 Trade Receivables which have significant increase in credit risk/ credit impaired	-	-

Trade Receivable - Ageing ₹ In Lakhs

	PARTICULARS	Outstanding As at March 31, 2023 for following periods from due date of Payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good - Related Parties	817.82	979.56	128.42	-	20.73	1,946.52
(ii)	Undisputed Trade Receivables –considered good - Others	5,586.55	39.42	40.21	1.85	-	5,668.03
(iii)	Allowance for Credit Loss						(49.52)
	TOTAL	**6,426.81**	**1,018.98**	**168.63**	**1.85**	**20.73**	**7,565.03**

₹ In Lakhs

	Particulars	Outstanding As at March 31, 2022 for following periods from due date of Payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good - Related Parties	1,239.13	113.83	1.71	-	20.73	1,375.40
(ii)	Undisputed Trade Receivables –considered good - Others	5314.50	48.78	-	--	-	5,363.28
(iii)	Allowance for Credit Loss						(10.43)
	TOTAL	**6,553.63**	**162.61**	**1.71**	**-**	**20.73**	**6,728.25**

		As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
6.	**CASH AND CASH EQUIVALENTS**		
	a. Cash on hand	0.15	0.24
	b. Balances with banks in Current accounts	551.49	339.60
		551.64	339.84

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

		As at March 31, 2023	As at March 31, 2022
7.	**OTHER BANK BALANCES**		
	a. Earmarked balances for dividend	40.70	3.13
	b. Deposits with original maturity of more than 3 months but less than 12 months	5.00	5.00
		45.70	8.13
8.	**CURRENT FINANCIAL ASSETS – OTHERS**		
	Unsecured Considered good, unless otherwise stated		
	a. Security Deposits		
	Lease Rent Deposits	9.71	17.74
	Other Deposits	158.03	102.45
		167.74	120.19
	b. Employee Advances	0.45	-
	c. Export incentive	22.30	13.46
	d. Other receivables	14.12	3.92
	e. Bank deposit with original maturity of greater than 12 months	150.00	-
	f. Other loans and advances	20.80	6.23
	Other loans and advances - Considered Doubtful	16.81	16.81
	Less: Provision for Doubtful Advances	(16.81)	(16.81)
		20.80	6.23
		375.41	143.80
9.	**CURRENT INCOME TAX ASSETS (NET)**		
	Current Tax Assets - Refund due	214.75	214.75
		214.75	214.75
9A.	**OTHER CURRENT ASSETS**		
	a. Prepaid expenses	65.90	117.06
	b. Prepaid Gratuity	27.39	20.62
	c. Balances with government authorities	102.72	119.75
	d. Export incentive - MEIS/RoDTEP Licence	179.50	61.46
	e. Supplier Advances	151.02	51.01
	f. Others*	162.27	506.44
		688.80	876.34
	* Includes GST Credit to be availed Rs.18.17 Lakhs (2022: Rs.464.16 Lakhs)		
10.	**SHARE CAPITAL**		
	Authorized		
	2,00,00,000 (2022: 2,00,00,000) Equity Shares of Rs. 10 each	2,000.00	2,000.00
		2,000.00	2,000.00
	Issued, Subscribed and fully paid up		
	1,26,75,865 (2022: 1,26,75,865) Equity shares of Rs. 10 each fully paid up	1,267.59	1,267.59
		1,267.59	1,267.59
	1. Reconciliation of number of Equity shares subscribed		
	Balance as at the beginning of the year - No of share	1,26,75,865	1,26,75,865
	Add: Issued during the year	-	-
	Balance as at the end of the year - No of shares	1,26,75,865	1,26,75,865

2. Shares issued in preceding 5 years

Aggregate number and class of equity shares allotted for consideration other than cash, bonus etc. in the five years immediately preceding the Balance Sheet date as on March 31, 2023 is NIL (2022-NIL)

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

3. Details of Equity shares held by its holding company including shares held by subsidiaries or associates of the holding company in aggregate

Shareholder- Relationship	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	%	No. of Shares	%
Simpson &Co., Ltd.- Holding Company	**37,67,000**	**29.72**	37,67,000	29.72
Tractor & Farm Equipment Limited- Fellow Subsidiary	**14,40,192**	**11.36**	14,40,192	11.36
India Pistons Ltd.- Fellow subsidiary	**12,69,885**	**10.02**	12,69,885	10.02
Amalgamations Pvt. Ltd.- Ultimate Holding Company	**6,91,380**	**5.45**	6,91,380	5.45
The United Nilgiri Tea Estates Co. Ltd.	**3,600**	**0.03**	3,600	0.03

4. Shareholders holding more than 5% of the total share capital

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	%	No. of Shares	%
Simpson & Co., Ltd.	**37,67,000**	**29.72**	37,67,000	29.72
Tractor & Farm Equipment Limited	**14,40,192**	**11.36**	14,40,192	11.36
India Pistons Ltd.	**12,69,885**	**10.02**	12,69,885	10.02
Enam Shares & Securities Pvt Ltd	**10,66,552**	**8.41**	10,66,552	8.41
Nippon Piston Ring Co., Ltd.	**7,04,200**	**5.56**	7,04,200	5.56
Amalgamations Pvt. Ltd.	**6,91,380**	**5.45**	6,91,380	5.45

5. Shareholding of Promoters

Name of the Promoter	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	%	No. of Shares	%
Simpson & Co., Ltd.	**37,67,000**	**29.72**	37,67,000	29.72
Tractor & Farm Equipment Limited	**14,40,192**	**11.36**	14,40,192	11.36
India Pistons Ltd.	**12,69,885**	**10.02**	12,69,885	10.02
Amalgamations Pvt. Ltd.	**6,91,380**	**5.45**	6,91,380	5.45
The United Nilgiri Tea Estates Co. Ltd.	**3,600**	**0.03**	3,600	0.03

6. Rights, preferences and restrictions in respect of equity shares issued by the Company

The equity shareholders are entitled to receive dividend as and when declared, a right to vote in proportion of holding etc. and their rights, preferences and restrictions are governed by / in terms of their issue and the provisions of the Companies Act, 2013.

7. Dividend

The Board of Directors in their meeting on May 26, 2023 recommended a final dividend of Rs.1/- per equity share for the financial year ended March 31, 2023. This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Company.

		Note	As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
11.	**Other Equity***			
	General Reserve	**A**	**3,015.27**	**3,015.27**
	Securities Premium Reserve	**B**	**5,302.25**	**5,302.25**
	Other comprehensive Income		**(131.18)**	**(124.31)**
	Retained Earnings	**C**	**1,635.98**	**1,722.72**
			9822.32	**9,915.93**

* Refer Statement of Changes in equity for additions / deletions in each reserve.

A. General reserve is created from time to time by transferring profits from retained earnings and can be utilized for the purposes such as payment of dividends.

B. Securities Premium Reserve represents premium received on equity shares issued which can be utilized only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

C. Retained Earnings is generally available for distribution of dividend subject to the provisions of the Companies Act, 2013.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

		As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
12.	**NON- CURRENT FINANCIAL LIABILITIES – BORROWINGS**		
	Secured		
	Term Loans		
	From Banks	**4048.09**	**5,046.83**
	Unsecured		
	Term Loans		
	From Financial Institutions	**83.33**	**-**
		4,131.42	**5,046.83**

12 (a) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

Particulars	Terms of repayment and security
Term Loans	
From Banks	The term loans are availed for purchase of assets relating to Capital Projects and are secured by hypothecation of specific assets purchased out of the said loan. The weighted average rate of interest of these loan is around 9.44%. Per annum.
	The loans availed for purchase of Vehicles are secured by hypothecation of vehicles purchased out of the said loan. The weighted average rate of interest of these loan is around 8.05 %. Per annum.
From Financial Institutions	Loan taken from other parties for term loan are secured by hypothecation of specific asset. The weighted average rate of interest of these loan is around 9.08%. Per annum.

Details of security for the Secured short-term borrowings:

Loans repayable on demand from Banks:	**Terms of repayment and security**
Cash Credit	First pari-paasu charge on working capital assets viz. inventory, book debts and other current assets with other lenders under multiple banking arrangements. The weighted average rate of interest of these loan is around 7.25%. Per annum.
Working Capital Demand loan	Hypothecation of stock and book debts on pari-paasu basis. The weighted average rate of interest of these loan is around 7.27%. Per annum.
Terms of Repayment	
Loan Description	**Repayment Terms**
a. Term Loans – Banks	Both monthly and Quarterly installments
b. Term Loans- other parties	Monthly installment
c. Unsecured Term Loan from Bank	Monthly installment

12(b).	The quarterly returns/statements of current assets filed by the Company with banks/financial institutions are in agreement with the books of accounts.
12(c).	The Company has applied the monies raised by way of term loans for the purposes for which they were obtained.
12(d).	The Company has not utilised the funds raised on short term basis for long term purposes.
12(e).	.The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

		As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
13	**NON- CURRENT OTHER FINANCIAL LIABILITIES**		
	Lease liabilities (Refer note 44)	406.46	452.79
	Derivative Liabilities (Refer note 38)		7.62
		406.46	460.41
14.	**NON-CURRENT PROVISIONS**		
	Provision for Employee benefits		
	Compensated Absences	137.77	122.67
		137.77	122.67
15.	**DEFERRED TAX (ASSET) / LIABILITY**		
	Deferred Tax Asset:		
	Unabsorbed depreciation	(334.10)	(334.84)
	Expenses allowable on payment	(60.09)	(56.33)
	Provision for Inventory and debtors	(67.68)	(56.81)
	MAT Credit	(824.47)	(776.02)
		(1,286.34)	(1,224.00)
	Deferred Tax Liability:		
	Depreciation and amortization on PPE & Intangibles	1550.95	1,474.89
	Net Deferred Tax Liability / (Asset)	264.61	250.89

* The company has recognised deferred tax asset for Unabsorbed depreciation considering the future projected profitability.

16.	**CURRENT BORROWINGS**		
	Secured		
	Loans repayable on demand *		
	- From Banks	2,004.77	2,611.61
	Unsecured		
	Loans repayable on demand *		
	From Banks	1,000.00	1,000.00
	Current Maturities of Long-term borrowings*		
	From Banks	2,206.19	2,131.00
	From Other Parties	250.00	15.73
		5,460.96	5,758.34

* Refer Note 12(a) for security detail

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

17.	LEASE LIABILITIES	As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
	Lease liabilities (Refer note 44)	139.29	81.66
		139.29	81.66

18.	TRADE PAYABLES		
	Trade Payables to Micro, Small & Medium Enterprises	1,018.50	296.42
	Acceptances - Letter of Credit	163.04	230.13
	Trade Payables - others	6,715.71	5,118.00
	Trade Payables- Due to related parties*	41.75	2.21
	Vendor Bills Payable	1260.43	670.59
		9,199.43	6,317.35
	* Refer Note 45 (c)		

TRADE PAYABLES – AGEING. ₹ In Lakhs

Particulars	Outstanding As at March 31, 2023 for following periods from due date of Payment				
	Less than 1 Year	1 – 2 years	2 – 3 Years	More than 3 years	Total
(i) MSME	1,018.50	-	-	-	1,018.50
(ii) Others	8,035.34	132.78	5.14	7.67	8,180.93
Total	**9,053.84**	**132.78**	**5.14**	**7.67**	**9,199.43**

Particulars	Outstanding As at March 31, 2022 for following periods from due date of Payment				
	Less than 1 Year	1 – 2 years	2 – 3 Years	More than 3 years	Total
(i) MSME	296.42	-	-	-	296.42
(ii) Others	5,906.67	82.71	24.77	6.78	6,020.93
Total	**6,203.09**	**82.71**	**24.77**	**6.78**	**6,317.35**

₹ In Lakhs

19.	OTHER FINANCIAL LIABILITIES	31 March 2023	31 March 2022
	Interest accrued but not due on borrowings	41.35	25.05
	Unclaimed dividend	40.69	3.10
	Employee related payables	339.81	251.72
	Derivative Liabilities (Refer note 38)	13.52	41.57
	Other payables	189.72	285.60
		625.09	607.04
20.	OTHER CURRENT LIABILITIES		
	Statutory dues	108.42	207.63
	Contract liabilities - Customer Advances	2.10	8.20
		110.52	215.83

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

		For the year Ended March 31, 2023 ₹ In Lakhs	For the year ended March 31, 2022 ₹ In Lakhs
21.	**CURRENT PROVISIONS**		
	Provision for Employee benefits		
	Compensated Absences	**26.86**	**24.39**
		26.86	**24.39**

21.1 Movement in Provision for Compensated Absences in Note 14 and Note 21 is as follows			
Particulars	**Opening**	**Additions (net of utilization)**	**Closing**
March 2023	147.06	17.57	164.63
March 2022	140.13	6.93	147.06

22.	**REVENUE FROM OPERATIONS**	**31 March 2023**	**31 March 2022**
	a. Sale of Products		
	Rings Sales	**7,231.57**	**6,868.54**
	OCF Sales	**21,391.81**	**17,116.70**
	Pin Sales	**2,208.14**	**1,774.29**
	Tooling Sales	**509.17**	**586.98**
	b. Sale of Services	**206.58**	**271.34**
	c. Other operating revenues		
	Export Incentives	**359.10**	**396.51**
	Scrap Sales	**423.19**	**257.13**
		32,329.56	**27,271.49**

23.	**OTHER INCOME**		
	a. Interest income	**148.99**	**60.05**
	b. Liabilities no longer required written back	**1.98**	**143.72**
	c. Exchange Gain	**178.10**	**19.80**
	d. Other non-operating income	**5.16**	**5.53**
	e. Profit on Sale of Assets	**-**	**0.25**
		334.23	**229.35**
24.	**COST OF MATERIALS CONSUMED**		
	a. Opening Stock	**1,499.57**	**1,877.07**
	b. Add: Purchases	**11,909.18**	**8,885.18**
	c. Less: Closing Stock	**(1,588.32)**	**(1,499.57)**
		11,820.43	**9,262.68**

25.	**CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK – IN –PROGRESS**		
	a. (Increase) / Decrease in Work-in-Progress	**(385.66)**	**(225.28)**
	b. (Increase) / Decrease in Finished Goods	**(185.39)**	**(849.95)**
		(571.05)	**(1,075.23)**

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

26.	EMPLOYEE BENEFITS EXPENSE	For the year Ended March 31, 2023 ₹ In Lakhs	For the year ended March 31, 2022 ₹ In Lakhs
	a. Salaries and wages	2,396.72	2,343.99
	b. Contribution to provident and other funds	156.69	155.51
	c. Staff welfare expenses	450.72	376.93
		3,004.13	2,876.43

27.	FINANCE COSTS		
	a. Interest expenses	991.45	896.61
	b. Interest on leases	45.08	46.31
	c. Exchange loss regarded as adjustment to interest costs	6.27	15.35
	d. Other borrowing costs	44.18	44.02
		1,086.98	1,002.29

28.	OTHER EXPENSES		
	Sub - Contracting Expenses	6,662.48	4,899.28
	Power and Fuel	1,504.14	1,148.24
	Stores Consumed	3,826.61	3,958.84
	Mark to Market Loss on - derivatives (Refer note 38)	5.90	14.35
	Rent	78.12	77.07
	Rates and Taxes	66.64	37.97
	Insurance	109.78	109.29
	Travelling and Conveyance	441.43	346.39
	Packing and Forwarding	308.80	246.97
	Advertisement	5.36	2.73
	Royalty	215.02	177.31
	Consultation Fee	295.66	188.09
	Directors' Sitting Fees	3.60	5.96
	Freight	757.26	741.08
	Payment to Auditors	20.70	19.41
	Repairs and maintenance		
	- Buildings	30.82	16.52
	- Machinery and Electrical Installations	628.64	479.79
	- Vehicles	40.35	42.28
	- Computer System	141.32	71.78
	Bad Debts written off	0.14	4.12
	Provision for doubtful receivables made/ (written back) - Net	30.09	(14.95)
	Loss on Sale of Assets	7.99	-
	CSR Expenses	14.75	22.50
	Research and Development expense	-	4.30
	Commission to Non-Whole Time Directors	3.00	10.00
	Miscellaneous Expenses	282.29	286.14
		15,489.89	12,895.46

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

		March 31, 2023 ₹ In Lakhs	March 31, 2022 ₹ In Lakhs
29.	**REVENUE FROM CONTRACTS WITH CUSTOMERS**		
29.1	Disaggregated revenue information		
	Type of goods and service		
	(a) Sale of products		
	Rings Sales	7,231.57	6,868.54
	OCF Sales	21,391.81	17,116.70
	Piston Pin Sales	2,208.14	1,774.29
	Tooling Sales	509.17	586.98
	(b) Revenue from services		
	- Jobwork	206.58	271.34
	(c) Other operating revenues		
	- Scrap sales	423.19	257.13
	Total revenue from contract with customers	31,970.46	26,874.98
	India	20,464.74	16,147.71
	Outside India	11,505.72	10,727.27
	Total revenue from contract with customers	31,970.46	26,874.98

Timing of revenue recognition	**March 31, 2023**		**March 31, 2022**	
Particulars	**At a point in time**	**Over a period of time**	**At a point in time**	**Over a period of time**
Sale of products	31,763.88	-	26,603.64	-
Revenue from Services - Job Work	206.58	-	271.34	-
Total revenue from contract with customers	**31,970.46**	**-**	**26,874.98**	**-**

	Particulars	For the year Ended March 31, 2023 ₹ In Lakhs	For the year ended March 31, 2022 ₹ In Lakhs
29.2	**Contract balances**		
	Trade receivables	7,565.03	6,728.25
8.	Contract liabilities	2.10	8.20
Trade receivables are non-interest bearing and are generally as per terms of contract.			
Contract liabilities are Amounts received from customers in respect of obligation to be performed by the Company.			

29.3	**Reconciliation of revenue recognised in the statement of profit and loss with the contracted price**	31 March,2023	31 March,2022
	Revenue as per contracted price	31,970.46	26,874.98
	Adjustments		
	Rebates and discounts	-	-
	Revenue from contract with customers	31,970.46	26,874.98
	Export Incentives	359.10	396.51
	Total Revenue from Operations as per Note 22	32,329.56	27,271.49

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

		March 31, 2023 ₹ In Lakhs	March 31, 2022 ₹ In Lakhs
30.	**CONTINGENT LIABILITY**		
	Claims against the Company not acknowledged as debts		
	a. Bills Discounted	-	460.41
	b. Outstanding Letters of Credit	125.47	200.06
	c. Bank Guarantees	15.85	15.85
	d. Income Tax matters under appeal*	21.10	21.10
	e. The impact of the retrospective operation of the amendment to the Payment of Bonus Act, 1965 for the financial year 2014-15 has not been considered in accounts in view of stay granted by Madras and High Courts in India*	-	-
	*Future cash outflows in respect of the above are determinable only on receipt of judgement/decisions pending with various forums/authorities.		

31.	**COMMITMENTS**		
	Capital commitments (net of advances) not provided for	152.32	124.09
	The outflow in respect of the above is not practicable to ascertain in the View of uncertainty involved.		

32.	**VALUE OF IMPORTS CALCULATED ON CIF BASIS**		
	Raw materials	944.60	1,774.24
	Stores consumed	32.30	147.70
	Spare parts	26.25	69.07
	Total Components and spare parts	58.55	216.77
	Capital goods	143.44	572.90

33.	**EXPENDITURE IN FOREIGN CURRENCY (ON PAYMENT BASIS)**		
	Royalty	149.09	192.39
	Travel	35.76	12.53
	Professional Fee / Technical Services	184.23	90.66
	Capital Expenditure / Advance	143.45	478.54
	Others	329.77	295.35
	Total	842.30	1,058.65

34.	**DETAILS OF CONSUMPTION IN NOTE 24,25 AND 28 OF IMPORTED AND INDIGENOUS ITEMS**		
	IMPORTED		
	Raw materials	2,258.09	2,589.05
	Spares & Loose tools	205.37	274.85
		2,463.46	2,863.90
	INDIGENOUS		
	Raw materials	8,991.29	5,596.96
	Spares & Loose tools	3,621.24	3,685.43
		12,612.53	9,282.39

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

35.	EARNINGS IN FOREIGN EXCHANGE	For the year Ended March 31, 2023 ₹ In Lakhs	For the year ended March 31, 2022 ₹ In Lakhs
	Export of goods calculated on FOB basis	9,492.75	10,582.67
		9,492.75	10,582.67

36.	**INCOME TAXES RELATING TO CONTINUING OPERATIONS**		
	Income tax recognised in profit or loss		
	Current Tax	48.45	201.93
	MAT Credit entitlement	(48.45)	(189.66)
	Deferred tax	65.02	271.28
	Total income tax expense recognised in the current year	65.02	283.55
	The income tax expense for the year can be reconciled to the accounting profit as follows:		
	Profit/(loss) before tax from continuing operations	231.80	1,103.16
	Income tax expense calculated at %	27.82	27.82
	Income tax expense	64.49	306.90
	Effect of expenses that are deductible in determining taxable profit of the current year	(14.64)	(7.80)
	Effect of unabsorbed depreciation/loss of previous years utilized in current year	0.75	148.94
	Others	10.62	(179.69)
	Adjustments recognised in the current year in relation to the current tax of prior years	3.80	15.20
	Income tax expense recognised in profit or loss (relating to continuing operations)	65.02	283.55
	The tax rate used for the reconciliations above is the corporate tax rate of 27.82 % (for the year 2022-23) and 27.82% (for the year 2021-22) payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.		
	Income tax recognised in other comprehensive income		
	Current tax		
	Remeasurement of defined benefit obligation	-	-
	Deferred tax		
	Remeasurement of defined benefit obligation	(2.85)	5.65
	Total income tax recognised in other comprehensive income	(2.85)	5.65
	Deferred tax balances		
	The following is the analysis of deferred tax assets/(liabilities) presented in the statement of financial position:		
	Deferred tax assets (including MAT credit)	(1,286.34)	(1,224.00)
	Deferred tax liabilities	1,550.95	1,474.89
		264.61	250.89

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

	For the year Ended March 31, 2023 ₹ In Lakhs	For the year ended March 31, 2022 ₹ In Lakhs
37. EMPLOYEE BENEFITS		
Defined Contribution Plan		
Contribution to Defined Contribution Plan, are charged off for the year as under		
Employer's Contribution to Provident Fund	107.93	106.07
Employer's Contribution to Superannuation Fund	23.10	20.48

Defined Benefit Plan

Gratuity:

The Company operates gratuity plan through approved gratuity fund with Life Insurance Corporation of India. Every employee is entitled to the benefit in accordance with The Payment of Gratuity Act, 1972, as applicable from time to time, except in the case of Managing Director where there is no maximum limit. The present value of obligation is determined based on actuarial valuation.

Leave Salary Encashment:

Eligible employees can carry forward and encash leave on superannuation or death or permanent disablement subject to a maximum accumulation of 60 days except in the case of Managing Director where there is no limit to maximum accumulation. The present value of obligation is determined based on actuarial valuation.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Retirement benefit plans continued…

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Gratuity and Compensated absences	**March 31, 2023**	**March 31, 2022**
Discount rate(s)	**7.00%**	7.00%
Expected rate(s) of salary increase	**7.00%**	7.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:

Rs.in lakhs

	March 31, 2023	**March 31,2022**
Gratuity		
Current service cost	**30.22**	30.78
Past service cost	**-**	-
Net interest expense	**35.94**	34.83
Return on plan assets (excluding amounts included in net interest expense)	**(40.50)**	(36.65)
Components of defined benefit costs recognised in profit or loss	**25.66**	**28.96**

The above expense for the year are included under 'Contribution to provident, gratuity and other funds' in the 'employee benefits expense' in statement of profit or loss.

Remeasurement on the net defined benefit liability comprising:		
Actuarial(gains) /losses arising from obligations	**10.23**	(20.32)
Components of defined benefit costs recognised in other comprehensive income	**10.23**	**(20.32)**
Total	**35.89**	**8.64**

The remeasurement of the net defined benefit liability is included in other comprehensive income

Compensated Absences		
Current service cost	-	-
Net interest expense	**9.31**	6.85
Actuarial (gains)/losses arising from changes in financial assumptions	**(2.17)**	1.35
Actuarial (gains)/losses arising from experience adjustments	**33.45**	10.09
	40.59	**18.29**
Recognised in Statement of Profit & Loss	**40.59**	18.29
Recognised in Other Comprehensive Income	-	-

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The above expenses for the year are included under 'Salaries, wages and bonus' in the 'employee benefits expense' in statement of profit or loss.

The amount included in the statement of financial position arising from the Company's obligation in respect of its defined benefit plans is as follows:

		Rs.in lakhs
Gratuity	**March 31, 2023**	**March 31,2022**
Present value of defined benefit obligation	**546.86**	**515.05**
Fair value of plan assets	**574.24**	**535.67**
Net liability arising from defined benefit obligation (funded)	**(27.39)**	**(20.62)**

Gratuity is reflected in Prepaid Gratuity under Other Current Assets. [Refer note 9A].

Compensated Absences		
Present value of defined benefit obligation	**164.63**	147.06
Net liability arising from defined benefit obligation (funded)	**164.63**	**147.06**

The above provisions are reflected under 'Provision for employee benefits' in "other non-current provisions" and in "short-term provisions". [Refer notes 14 and 21]

Movements in the present value of the defined benefit obligation in the current year were as follows:

	March 31, 2023	March 31, 2022
Gratuity		
Opening defined benefit obligation	**515.05**	**497.56**
Current service cost	**30.22**	**30.78**
Interest cost	**35.94**	**34.83**
Actuarial(gains) /losses arising from obligations	**10.23**	**(20.32)**
Benefits paid	**(44.58)**	**(27.80)**
Closing defined benefit obligation	**546.86**	**515.05**
Compensated Absences		
Opening defined benefit obligation	**147.06**	**140.13**
Current service cost	**-**	**-**
Interest cost	**9.31**	**6.85**
Actuarial (gains)/losses arising from changes in financial assumptions	**(2.17)**	**1.35**
Actuarial (gains)/losses arising from experience adjustments	**33.45**	**10.09**
Actuarial (gains)/losses arising from changes in geographical assumptions	**-**	**9.62**
Benefits paid	**(23.02)**	**(20.98)**
Closing defined benefit obligation	**164.63**	**147.06**

MOVEMENTS IN THE FAIR VALUE OF THE PLAN ASSETS IN THE CURRENT YEAR WERE AS FOLLOWS:

	March 31, 2023	March 31, 2022
Gratuity		
Opening fair value of plan assets	**535.67**	439.71
Return on plan assets (excluding amounts included in net interest expense)	**40.50**	36.65
Contributions	**42.66**	87.11
Benefits paid	**(44.58)**	(27.80)
Closing fair value of plan assets	**574.24**	**535.67**

The Company funds the cost of the gratuity expected to be earned on a yearly basis to Life Insurance Corporation of India, which manages the plan assets.

The actual return on plan assets was Rs.40.50 lakhs (2021-22: Rs.36.65 lakhs).

38. FINANCIAL INSTRUMENTS

Capital management

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, non-convertible debt securities, and other long-term/short-term borrowings.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 12 and 16, and offset by cash and bank balances) and total equity of the Company. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

	As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
Gearing Ratio:		
Debt (Long-term and short-term borrowings including current maturities)	9,605.90	10,854.36
Less: Cash and bank balances	(551.64)	(339.84)
Net debt	9,054.26	10,514.52
Total equity	11,089.91	11,183.52
Net debt to total equity ratio	0.82	0.94

Categories of Financial Instruments:

A Financial assets

(a) Measured at amortized cost:		
Cash and bank balances	**597.34**	**347.97**
Trade Receivables	**7,565.03**	**6,728.25**
Investments	**91.31**	**48.63**
Others	**476.91**	**341.36**
(b) Mandatorily measured at fair value through other comprehensive income (FVOCI):		
Investments	**93.08**	**1.26**

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL INSTRUMENTS – [Contd]

B Financial liabilities

(a) Measured at amortized cost:		
Borrowings	**7,136.19**	**8,658.44**
Trade Payables	**9,199.43**	**6,317.35**
Current maturity of Long-Term Borrowings	**2,456.19**	**2,146.73**
Lease Liabilities	**545.75**	**534.45**
Others	**611.57**	**565.47**
(b) Measured at fair value through Statement of Profit and Loss:		
Derivatives	**13.52**	**49.19**

Financial risk management objectives

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Foreign currency risk management:

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

AS ON MARCH 31,2023

(Rs in lakhs)

Currency	Liabilities	Assets	Net overall exposure on the currency - net assets - (net liabilities)
	Gross exposure*	Gross exposure	
USD	394.82	1,882.17	1,487.35
EUR	43.77	68.99	25.22
GBP	0.76	-	(0.76)
JPY	75.24	-	(75.24)

*Excludes exposure on Unutilised Letter of Credit aggregating Rs.45.94 lakhs

AS ON MARCH 31, 2022

(Rs in lakhs)

Currency	Liabilities	Assets	Net overall exposure on the currency - net assets - (net liabilities)
	Gross exposure*	Gross exposure	
USD	1,731.43	2,234.82	503.39
EUR	1.77	112.61	110.84
JPY	85.10	-	(85.10)

*Excludes exposure on Unutilised Letter of Credit aggregating Rs.82.81 lakhs

Foreign currency sensitivity analysis:

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

The following table details the Company's sensitivity movement in the foreign currencies. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%. 2% represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates.

Currency	Profit or Loss (Rs) in lakhs	
	March 31, 2023	March 31, 2022
USD Impact	**29.75**	10.07
EUR Impact	**0.50**	2.22
GBP Impact	**(0.02)**	-
JPY Impact	**(1.50)**	(1.70)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

The following table details the derivative contracts outstanding at the end of the reporting period:
As on March 31, 2023

Nature	Notional Value in FCY (Lakhs)	MTM in INR in Lakhs	Maturity date
Currency swap - INR to USD	USD 0.93	13.52	01-Jun-23
Interest rate swap - Floating to Fixed	USD 0.63	0.27	02-Aug-23
Interest rate swap - Floating to Fixed	USD 1.25	0.53	02-Aug-23

As on March 31, 2022

Nature	Notional Value in FCY (Lakhs)	MTM in INR in Lakhs	Maturity date
Currency swap - INR to USD	USD 4.63	38.08	01-Jun-23
Currency swap - INR to USD	USD 0.93	7.62	01-Jun-22
Interest rate swap - Floating to Fixed	USD 1.88	1.17	02-Aug-23
Interest rate swap - Floating to Fixed	USD 3.75	2.32	02-Aug-23

Note:
Included in the balance sheet under 'Current - other financial liabilities and non-Current - Financial Liabilities'. [Refer Notes 13 and 19]

Interest rate risk management

The company is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The risk is managed by the company by maintaining an appropriate mix between fixed and floating rate borrowings

The exposure of company's borrowings to interest rate changes at the end of the reporting period are as follows.

(₹ In Lakhs)

Particulars	March 31, 2023	March 31, 2022
Variable rate Borrowings	9,363.54	9,919.95
Fixed rate Borrowings *	228.84	885.22

* includes variable rate borrowings subsequently converted to fixed rate borrowings through swap contracts.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rate

If interest rates had been 25 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended March 31, 2023 would decrease/increase by Rs.24.10 lakhs (March 31, 2022: decrease/increase by Rs.9.03 lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings

Equity price risk

Equity price risk is related to the change in market reference price of the investments in equity securities. Fair and nominal value of shares are same since entire nominal value will be payable on sale back of shares as per the agreement and the shares are not held for trading purpose.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable. The Company does not have significant credit risk exposure

The company sells predominantly to local and export customers which are on credit basis. The average credit period is 30 days to 60 days.

The Company did not have credit risk exposure in the past 3 years and there were no bad debt during the mentioned period but the Company makes an allowance for doubtful debts on a case to case basis.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, margin money and other financial assets excluding equity investments.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL INSTRUMENTS – [Contd]

Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company is also working with banks for obtaining separate facility for financing of Dies. Promoters will support by way of fund infusion on need basis.

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ In Lakhs)

Particulars	March 31, 2023	March 31, 2022
Expiring within one year (bank overdraft and other facilities) - Secured	536.00	3,558.27
Term Loan - Secured	300	-

Liquidity tables:

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

(₹ In Lakhs)

31-03-2023	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Trade payables	9,199.43	-	-	9,199.43
Current maturity of long-term borrowings	2,456.19	-	-	2,456.19
Lease liabilities (Refer note 45)	139.29	406.46	-	545.75
Other financial liabilities	583.74	-	-	583.74
Borrowings (including interest accrued thereon upto the reporting date)	3,046.12	4,131.42	-	7,177.54
	15,424.77	**4,537.88**	**-**	**19,962.65**

(₹ In Lakhs)

31-03-2022	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Trade payables	6,317.35	-	-	6,317.35
Current maturity of long term borrowings	2,146.73	-	-	2,146.73
Lease liabilities (Refer note 45)	121.65	516.08	-	637.73
Other financial liabilities	581.99	7.62	-	589.61
Borrowings (including interest accrued thereon upto the reporting date)	3,636.66	5,046.83	-	8,683.49
	12,804.38	**5,570.53**	**-**	**18,374.91**

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):

The Management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

39. SEGMENT INFORMATION

The Managing Director of the Company has been identified as being the chief operating decision maker. Based on the internal reporting to the Chief operating decision maker, the Company has identified that the Company has only one segment which is manufacture and sale of Auto Component – Piston Rings, Differential Gears, Pole Wheel and other Transmission Components and accordingly there are no other reportable segments. The Company is domiciled in India. Information about entity wide disclosures as mandated under Ind AS 108 are as below:

Geographical segment information:

(₹ In Lakhs)

Description	Year	India	USA	Thailand	Rest of the world	Unallocated	Total
Revenue	2022-23	20,464.74	2,836.88	7,985.03	683.81	359.10	32,329.56
	2021-22	16,147.71	2,348.01	8,124.56	254.70	396.51	27,271.49
Assets	2022-23	5,831.29	218.53	1,409.22	105.99	-	7,565.03
	2021-22	4,413.00	432.35	1,728.55	154.35	-	6,728.25

Out of the above said revenue two customer represents more than 10% of the gross revenue and in total contribute 32.50% of the gross revenue.

		As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
40.	**NET DEBT RECONCILIATION**		
1.	Cash and cash equivalents	597.34	347.97
2.	Liquid Investments	212.00	155.00
3.	Lease Liability	(545.75)	(534.45)
4.	Short term borrowings	(3004.77)	(3,611.61)
5.	Long term borrowings	(6587.61)	(7,193.56)
	NET DEBT	**(9,328.79)**	**(10,836.65)**

Particulars	Other assets		Liabilities from financing activities			
	cash and cash equivalents	Liquid investments	lease Liability	Long term borrowings *	Short term borrowings	Total
Net debt as at March 31, 2022	**347.97**	155.00	**(534.45)**	**(7,193.56)**	**(3,611.61)**	**(10,836.65)**
Cash flows	249.37	57,00	147.17	623.81	606.84	**1,684.19**
Movement in Lease Liability						
Foreign exchange adjustments				(17.86)		**(17.86)**
Interest expense				735.80	351.18	**1,086.98**
Interest paid				(735.80)	(351.18)	**(1,086.98)**
Other non-cash movements						
- Acquisitions / disposals						
- Fair value adjustments			(158.47)			**(158.47)**
Net debt as at March 31, 2023	**597.34**	**212.00**	**(545.75)**	**(6,587.61)**	**(3,004.77)**	**(9,328.79)**

NOTE

Assets represented by positive numbers

Liabilities represented by negative numbers

* Includes current maturities of Long term debt

		As at March 31, 2023 ₹ In Lakhs	As at March 31, 2022 ₹ In Lakhs
41.	**INVESTMENT**		
	a. Quoted investment		
	Cost	0.88	0.88
	Market value	1.21	0.70
	b. Unquoted investment		
	Cost	100.56	51.06
	e. Impairment in value of investment	-	-

42. CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

a) Gross amount required to be spent by the Company during the year is Rs.12.82 lakhs (2021-22 Rs.10.55 lakhs)).

b) Amount approved by the Board and spent during the year on :

(2022-23 ₹ In Lakhs)

Particulars	In Cash	Yet to be paid in cash	Total
1. Construction/acquisition of any asset	-	-	-
2. On Purposes other (1) above	**14.75**	-	**14.75**

(2021-22 ₹ In Lakhs)

Particulars	In Cash	Yet to be paid in cash	Total
1. Construction/acquisition of any asset	-	-	-
2. On Purposes other (1) above	**22.50**	-	**22.50**

c) The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year Nil (2021- 22 - Nil)
d) The total of previous years' shortfall amounts Nil (2021-22 - Nil)
e) The nature of CSR activities undertaken by the Company:

- ✓ Donation of Ambulance to Hospital (Social Empowerment) Nil (2021-22 - Rs.20.00 lakhs)
- ✓ Contribution to Roja Muthiah Research Library Trust (Promoting education and also conservation of art and culture) Nil (2021-22- Rs.2.50 lakhs)
- ✓ Contribution to Sri Paramakalyani Education Society (Promoting education and also conservation of art and culture) Rs.5.00 lakhs (2021-22- Nil)
- ✓ Apprenticeship training under the apprentices act 1961 (Skill Training) Rs.9.75 lakhs (2021-22 Nil)

	For the year Ended March 31, 2023 ₹ In Lakhs	For the year ended March 31, 2022 ₹ In Lakhs

43. BASIC AND DILUTED EARNINGS PER SHARE

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows.

Profit/ (loss) for the year attributable to owners of the Company	**166.78**	**819.61**
Adjustments		**-**
Earnings used in the calculation of basic earnings per share	**166.78**	**819.61**
Profit/(loss) for the year from discontinued operations used in the calculation of basic earnings per share from discontinued operations		**-**
Earnings used in the calculation of basic earnings per share from continuing operations	**166.78**	**819.61**
	NOS	**NOS**
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	**1,26,75,865**	**1,26,75,865**
Basic and Diluted Earnings per share	**1.32**	**6.47**

44. DISCLOSURES ON LEASES

Company as Lessee

The Company has adopted Ind AS 116 Leases (Refer Note .57 (15)) with effect from April 1, 2019. All other lease arrangements on that date werer short term leases and the lease rentals recognized as an expense in the Statement of Profit and Loss. The following are the disclosures in terms of Ind AS 116:

44.1 Payments recognized as expense for non-cancellable lease

Maturity Analysis of future lease payments	For the year Ended March 31, 2023 ₹ In Lakhs	For the year ended March 31, 2022 ₹ In Lakhs
a. Not later than 1 year	**139.29**	**81.66**
b. Later than 1 year and not later than 5 years	**406.46**	**334.09**
c. Later than 5 years	**-**	**118.70**

44.2 Details of rental payment for contracts for which exemption is availed under IND AS 116 on account of the following

1. Lease asset for low value asset (less than Rs 5 lakhs)	**-**	**-**
2. Short term leases	**78.12**	**77.07**

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

44.3 OTHER DISCLOSURES		Note No	Rs. Lakh March 31,2023	Rs. Lakh March 31,2022
a.	Carrying value of right of use of (ROU) asset	1B	591.69	495.02
b.	Depreciation charge for ROU asset	1B	159.82	113.80
c.	Interest expense on lease liability	26	45.08	46.31
d.	Total cash flow during the year for leases grouped in ROU		147.17	127.14
e.	Additions to ROU	1B	256.49	7.76
f.	Lease commitments for short term leases		78.12	77.07
g.	Lease liability outstanding	13 & 17	545.75	534.45

Lease terms are negotiated on an individual basis and contain a range of different terms and conditions. The lease agreements do not impose any covenants other than that the company cannot provide the leased asset as security for its borrowings etc, nor can it be subleased without the permission of the lessor.

The lease payment are discounted using the company's incremental borrowing rate(8.75% and 7.95%) being the rate that the company would have to pay to borrow funds necessary to obtain an asset of similar value to ROU asset in a similar economic environment with similar terms, security and conditions.

45. RELATED PARTY DISCLOSURE

b) List of parties having transactions with IP Rings Ltd

Name of the Related Party	Relationship
Simpson & Company Ltd.	Holding Company
Amalgamations Private Ltd.	Holding Company of Simpson & Company Ltd.
IPR Eminox Technologies Private Limited	Joint Venture
Addison & Company Limited	Fellow Subsidiary
George Oakes Limited	Fellow Subsidiary
India Pistons Limited	Fellow Subsidiary
Tractors & Farm Equipment Limited	Fellow Subsidiary
Associated Printers (Madras) Pvt Limited	Fellow Subsidiary
The Madras Advertising Company Pvt Limited	Fellow Subsidiary
IPL Shaw solutions Private Limited	Fellow Subsidiary
Shardlow India Limited (merged with Simpson & Company Limited during the year)	Fellow Subsidiary
Bimetal Bearings Limited	Fellow Subsidiary
Amalgamations Repco Limited	Fellow Subsidiary
TAFE Advanced AG Solutions Limited	Fellow Subsidiary
L.M.Van Moppes Diamond Tools India Pvt Limited	Fellow Subsidiary
Wallace Cartwright & Company Limited, London	Fellow Subsidiary
Wheel and Precision Forgings India Limited (merged with Simpson & Company Limited During the year)	Fellow Subsidiary
United Nilgiri Tea Estates Company Limited	Associate of Holding Company
IP Rings Ltd Senior Executives Superannuation Fund	Controlled Trusts
IP Rings Ltd Employees Gratuity Fund	Controlled Trusts
Mr. A.Venkataramani - Managing Director	Key Managerial Personnel
Mr. R.Venkataraman - Chief Financial Officer	Key Managerial Personnel
Mr. Anantha Subramanian - Company Secretary (up to 05.10.2022)	Key Managerial Personnel
Mr. Premnatha Kamal - Company Secretary (From 11.11.2022)	Key Managerial Personnel
Mr. Muthalagu Govindarajan - Executive Director(up to 26.05.2023)	Key Managerial Personnel
Mr.Gautam Venkataramani	Relatives of Key Managerial Personnel
Mrs.Sita Venkataramani	Relatives of Key Managerial Personnel

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

b) List of parties not having transactions with IP Rings Ltd :	
Name of the Related Party	**Relationship**
Amco Batteries Limited	Fellow Subsidiary
Simpson & General Finance Company Limited	Fellow Subsidiary
TAFE International Traktor Ve Tarim Ekipmani Sanayi Ve Ticaret Limited	Fellow Subsidiary
Southern Tree Farms Limited	Fellow Subsidiary
TAFE Properties Limited	Fellow Subsidiary
Tafe Access Limited	Fellow Subsidiary
T.Stanes & Company Limited	Fellow Subsidiary
Stanes Motors (South India) Limited	Fellow Subsidiary
Associated Publishers (Madras) Pvt Limited	Fellow Subsidiary
Stanes Amalgamated Estates Limited	Fellow Subsidiary
Sri Rama Vilas Service Limited	Fellow Subsidiary
Speed-A-Way Pvt Limited	Fellow Subsidiary
W.J.Groom & Company Limited, London	Fellow Subsidiary
TAFE Reach Limited	Fellow Subsidiary
TAFE Motors & Tractors Limited	Fellow Subsidiary
Alpump Limited	Fellow Subsidiary
Tafe Tractors Changshu Company Limited, China	Fellow Subsidiary
Higginbothams Pvt Limited	Fellow Subsidiary
Amalgamations Valeo Cluch Private Limited	Associate of Holding Company
BBL Daido Private Limited	Associate of Holding Company

Note : As per sec 149(6) of Companies Act, 2013 independent directors are not considered as KMP. Also considering the roles & functions of independent director stated under schedule IV of Companies Act 2013 they have not been disclosed as KMP for the purpose of disclosure requirement as per Ind AS 24 Related Pa

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

c) Details of Transactions with Related Parties :

(Rs. In Lakhs)

Name of the party	Year	Sale of goods	Rendering of services – Income	Purchase of goods	Purchase of Capital items	Sale of Capital items	Technical fee paid	Receiving of services – Expense	Management contracts including for deputation of employees	Loan taken (Loan Repaid)	Outstanding loans	Dividend Paid	Interest received	Issue of shares	Investments	Contribution to fund	Amounts Outstanding Dr /(Cr)
IPR Eminox Technologies Private Limited	2022-23		24.00	15.00											49.50		37.62
	2021-22		13.74	-											50.50		19.35
Bimetal Bearings Limited	2022-23	14.22	5.91					26.25									(24.02)
	2021-22	7.66	-	-	-	-	-	-	-	-	-	-	-	-		-	3.63
India Pistons Limited.	2022-23	1,920.15	125.06	255.62				-				25.40	134.37				1,855.97
	2021-22	1,567.59	125.95	546.87	-	-	-	52.53	-	-	-	17.14	54.30	-		-	1,356.03
George Oakes Limited	2022-23		9.80					18.00									(4.82)
	2021-22	-	7.20	-	-	-	-	18.00	-	-	-	-	-	-		-	2.15
Simpson & Co. Ltd.	2022-23	217.58	-					2.58				75.34					56.80
	2021-22	186.11	-	-	-	-	-	3.28	-	-	-	50.86	-	-		-	13.59
Tractors & Farm Equipment Limited	2022-23											28.80					-
	2021-22	-	-	-	-	-	-	-	-	-	-	19.44	-	-		-	-
Addison & Co. Limited	2022-23			2.97													(1.16)
	2021-22	-	-	3.91	-	-	-	-	-	-	-	-	-	-		-	-
Amalgamation Pvt Limited	2022-23							6.09				13.83					(6.75)
	2021-22	-	-	-	-	-	-	4.73	-	-	-	9.33	-	-		-	(1.30)
Amalgamation Repco Limited	2022-23							3.30									(4.20)
	2021-22	-	-	-	-	-	-	3.00	-	-	-	-	-	-		-	(0.90)
Associated Printers (M) Pvt Limited	2022-23							0.73									
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-
The Madras Company Advertising Co Limited	2022-23							0.34									
	2021-22	-	-	-	-	-	-	0.17	-	-	-	-	-	-		-	-
LM Van Moppes Diamond Tools India Limited	2022-23			2.51													(1.39)
	2021-22	-	-	3.84	-	-	-	-	-	-	-	-	-	-		-	(0.42)
Wallace Cartwright & Company Limited, London	2022-23			1.78	5.11			2.67									0.59
	2021-22			-	-			4.38									-
United Nilgiri Tea Estates Company Limited	2022-23											0.07					-
	2021-22	-	-	-	-	-	-	-	-	-	-	0.05	-	-		-	-
IP Rings Ltd Senior Executives Superannuation Fund	2022-23															23.10	-
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-		20.48	-
IP Rings Ltd Employees Gratuity Fund	2022-23															25.66	27.39
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-		87.11	20.62
Mr. N.Venkataramani	2022-23																
	2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Mrs. Sita Venkataramani	2022-23											1.79					(0.35)
	2021-22	-	-	-	-	-	-	-	-	-	-	1.34	-	-		-	(0.35)
Mr.Gautam Venkataramani	2022-23											0.66					
	2021-22	-	-	-	-	-	-	-	-	-	-	0.49	-	-		-	-
Mr .A. Venkataramani #	2022-23							188.09				0.66					-
	2021-22	-	-	-	-	-	-	150.68	-	-	-	0.45	-	-		-	(0.10)
Mr. R. Venkataraman#	2022-23							47.65									
	2021-22	-	-	-	-	-	-	41.72	-	-	-	-	-	-		-	-
Mr.Ananth Subramanian#	2022-23							6.54									-
	2021-22	-	-	-	-	-	-	12.09	-	-	-	-	-	-		-	(0.08)
Mr. Premnatha Kamal#	2022-23							5.53									
	2021-22							-									
Mr. Muthalagu Govindarajan#	2022-23							46.25				0.02					
	2021-22	-	-	-	-	-	-	34.62	-	-	-	0.01	-	-		-	-

'The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

46. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the certain provisions of the Code will come into effect and the rules thereunder has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

47. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

48. The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

49. The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

50. The Company has not accepted any deposit or amounts which are deemed to be deposits.

51. 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).

52. The company did not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

53. The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year

54. The company has complied with the number of layers prescribed under the Companies Act,2013 read with Companies (Restriction on number of Layers) Rules,2017.

55. Figures for the previous year have been regrouped / reclassified wherever necessary to make them comparable with current year figures.

56. INTEREST IN OTHER ENTITIES

Name of the Company	IPR Eminox Technologies Private Limited
Place of incorporation and principal place of business	Chennai, India
Proportion of the ownership interest	50%
Relationship	Joint Venture

(₹ In Lakhs)

	Year Ended March 31,2023	Year Ended March 31,2022
Quoted fair value	*	*
Carrying amount	91.31	48.63

Principal activity

The Company is primarily engaged in the business of design and development of vehicle emissions systems, for on-road and off-road applications.

***Unlisted entity – no quoted price available**

57A. SUMMARIZED FINANCIAL INFORMATION FOR JOINT VENTURE

The tables below provide summarised financial information for the joint venture as at the end of the reporting period. The information disclosed reflects the amounts presented in the financial statements of the joint venture and not IP Rings Limited's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including modifications for differences in accounting policies.

(₹ In Lakhs)

Particulars	Year ended March 31, 2023	'Year ended March 31, 2022
Current Assets		
Cash and Cash Equivalents	34.66	101.00
Other Assets	98.66	26.98
Total Current Assets	133.31	127.98
Total Non-Current Assets	124.94	10.44
Current Liabilities		
Financial Liabilities	52.13	7.93
Other Liabilities	23.51	33.24
Total Current Liabilities	75.64	41.16
Net Assets	182.62	97.26

57B. RECONCILIATION TO CARRYING AMOUNTS

Particulars		
Opening net assets	48.63	-
Investment made	49.50	50.50
Less: Loss for the year	(6.82)	(1.87)
Closing net assets	91.31	48.63
Group's share in %	50%	50%
Group's share in INR	91.31	48.63
Goodwill	-	-
Carrying Amount	91.31	48.63

57C. SUMMARISED STATEMENT OF PROFIT AND LOSS

Particulars		
Revenue from operations	160.80	6.06
Other Income	0.04	15.04
Cost of materials consumed	(17.62)	
Employee benefits expense	(64.00)	(5.82)
Depreciation and amortization expense	(16.90)	(0.08)
Other Expenses	(78.06)	(20.06)
Income tax Expense	2.10	1.12
Loss for the year	(13.64)	(3.74)
Other comprehensive loss for the year	-	-
Total comprehensive loss for the year	(13.64)	(3.74)

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

58 . Additional information required by Schedule III

Name of the Entity	Net assets (Total Assets - Total Liabilities)		Share in Profit or (loss)		Share in other comprehensive income		Share in Total comprehensive income	
	As a % of consolidated net assets	**Amount**	**As a % of consolidated profit or loss**	**Amount**	**As a % of consolidated other comprehensive income**	**Amount**	**As a % of consolidated net assets**	**Amount**
Parent								
IP RINGS LIMITED								
March 31, 2023	99.18%	10,998.60	104.09%	173.60	100.00%	(6.87)	104.26%	166.73
March 31, 2022	99.57%	11,134.89	100.23%	821.48	100.00%	14.75	100.22%	836.23
Joint Venture (Investment per equity method)								
IPR EMINOX TECHNOLOGIES PRIVATE LTD								
March 31, 2023	0.82%	91.31	-4.09%	(6.82)	0.00%	-	4.26%	(6.82)
March 31, 2022	0.43%	48.63	-0.23%	(1.87)	0.00%	-	-0.22%	(1.87)
TOTAL								
March 31, 2023	**100.00%**	**11,089.91**	**100.00%**	**166.78**	**-**	**(6.87)**	**100.00%**	**159.91**
March 31, 2022	**100.00%**	**11,183.52**	**100.00%**	**819.61**	**100.00 %**	**14.75**	**100.00%**	**834.36**

59 Form AOC-1
Statement containing salient features of the financial statements of associate/ joint venture

Part B - Associates and Joint venture

Statement pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014

Name of the Associate or Joint ventures	IPR Eminox Technologies Private Limited
Latest audited Balance sheet date	March 31, 2023
Date on which the Joint venture was associated or acquired	December 24, 2021
Shares of Joint venture held by the Company on the year end :	
No. of shares	100000
Amount of investment in Joint venture (Rs. In lakhs)	100.00

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Extent of Holding (in percentage)	50%
Description of how there is significant influence	Joint control as per Joint venture agreement
Reason why the associate/ joint venture is not consolidated	NA. Accounted for using the equity method as per the requirements of the applicable Ind AS
Networth attributable to shareholding as per latest audited Balance Sheet (Rs. In lakhs)	91.31
Profit or (loss) for the year	
(i) Considered in Consolidation (Rs. In lakhs)	(6.82)
(ii) Not Considered in Consolidation (Rs. In lakhs)	-

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

60.A Corporate Information:

IP Rings Limited ('the Parent Company') or ('IPR') is engaged in the manufacture of engine and transmission components. The Company has manufacturing plant at Maraimalainagar, Chennai. The Company is a public limited company and is listed on Bombay Stock Exchange. The functional currency of the Company is Indian Rupee. The Parent Company has one joint venture. The Parent Company together with its joint venture is hereinafter referred to as the "Group". The consolidated financial statements, in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015., for the year ended 31st March 2023 were adopted by the Group as on 26th May 2023.

60.B Statement of Significant Accounting Policies.

1. Basis of Preparation:

The consolidated financial statements have been prepared in accordance with Section 133 of Companies Act 2013, i.e., Indian Accounting Standards ('Ind AS') notified under Companies (Indian Accounting Standards) Rules 2015. The Ind AS consolidated financial statements are prepared on historical cost convention, except in case of certain financial instruments which are recognized at fair value at the end of the reporting period as rendered in the Accounting Policy No 4 and on an accrual basis as a going concern.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Part I of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

Recent accounting pronouncements with respect to Companies Act, 2013

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its consolidated financial statement.

2.Investment in Joint Venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of joint venture.

On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

When there is any objective evidence of impairment, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 'Impairment of Assets' as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be a joint venture, or when the investment is classified as held for sale. When the investment becomes a subsidiary, the Group accounts for its investment in accordance with Ind AS 103 'Business Combination'. When the Group retains an interest in the former joint venture and the retained interest is a financial asset, the Group measures it at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest is included in the determination of the gain or loss on disposal of the joint venture.

3. Use of Estimates

The preparation of the Ind AS consolidated financial statements in conformity with the generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance Sheet date, reported amount of revenue and expenses for the year and disclosure of contingent liabilities and contingent assets as of the date of Balance Sheet. The estimates and assumptions used in these Ind AS consolidated financial statements are based on management's evaluation of the relevant facts and circumstances as of the date of the Ind AS consolidated financial statements. The actual amounts may differ from the estimates used in the preparation of the Ind AS consolidated financial statements and the difference between actual results and the estimates are recognised in the period in which the results are known/materialize.

4. Fair Value Measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Group.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

a. Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Group has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest where the fair value differs from the Transaction Price. Where the fair value does not differ, materially, from Transaction Price, the financial liabilities are stated at transaction price only.

b. Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and cross currency interest rate swaps. Further details of derivative financial instruments are disclosed in Note No 38 Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item. The counterparty for these contracts is generally a bank.

Cash flow hedge

The Group designates certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on future foreign currency commitments.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the statement of profit and loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the statement of profit and loss.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the “Other Income” line item.

5. Property, Plant and Equipment

- ✓ Property, Plant and Equipment are stated at acquisition cost includes related duties, freight etc., and interest on borrowed funds if any directly attributable to acquisition/construction of qualifying fixed assets and is net of duty/ tax credit availed

- ✓ Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. In all such cases, the useful life of assets subsequently added to the parent asset are brought at par and depreciated in line with parent asset.

- ✓ Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment which are carried at cost are recognised in the Consolidated Statement of Profit and Loss.

- ✓ Depreciation is provided straight line method, based on useful lives of assets in accordance with Schedule II of the Companies Act, 2013. In respect of certain machines extended useful life of 30 years is adopted for claiming depreciation under Schedule II to Companies Act, 2013 based on technical assessment obtained by the Group .

- ✓ Application software, Die and Core and New Product Development are amortized over a period of 3 years. Technical Knowhow is amortized over a period of 5 years.

- ✓ Residual value of 5% is retained in books for all assets other than the assets whose useful life has elapsed as on 01.04.2014 or those assets whose book value has already been reduced below 5% of acquisition cost.

5. Intangibles

The Group has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2015 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

De-recognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in profit or loss when the asset is derecognised.

7. Impairment

All assets other than inventories, investments and deferred tax asset, are reviewed for impairment, wherever events or changes in circumstances indicate that the carrying amount of those assets may not be fully recoverable, in such cases the carrying amount of such assets is reduced to its estimated recoverable amount and the amount of such impairment loss is charged to the Statement of Profit and Loss.

The Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be reckoned from initial recognition of the receivables.

If at the Balance Sheet date there is an indication that the previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

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

8. Investments

All Investments excluding investment in joint venture are carried at fair value. The investment in joint venture accounted under equity method. The changes in the fair value of Investments, which at the inception, have been designated to be held for a long term capital appreciation, are considered through Other Comprehensive Income. All other investments are valued at fair value and the gains or losses being recognised in Consolidated Statement of Profit and Loss.

Impairment of Investments

The Group recognises an impairment loss in respect of its investments if there is lower business performance, economic slowdown and increased competition. The recoverable amount of the investments is being determined based on value in use. In assessing value in use, the estimated future cash flows were discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the investee for which the estimates of future cash flows have not been adjusted.

9. Inventories

Inventories are valued at cost (as detailed below) or net realisable value, whichever is low. Costs includes cost of purchase (excluding credit availed under GST scheme), cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(i) Raw Materials and Stores	At weighted average cost.
(ii) Work-in-progress	At standard cost or net realisable value, whichever is lower.
(iii) Finished Goods	At standard cost or net realisable value, whichever is lower.
(iv) Goods in transit	At cost
(v) Loose Tools	At weighted average cost.

(b) Provision for Obsolescence

The Group has a policy of providing for obsolescence in inventory. The policy has specific timelines beyond which the inventory is analysed for its usefulness and any obsolete inventory is provided for.

(c) Customs Duty

Value of stocks at bonded warehouse, includes applicable Customs duty.

10. Foreign currency translation

Initial Recognition: On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition: As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All monetary assets and liabilities in foreign currency are restated at the end of the accounting period. Exchange differences on restatement of all monetary items are recognised in the Consolidated Statement of Profit and Loss.

11. Revenue recognition

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. It also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. The group has adopted the modified retrospective method of applying Ind AS 115 Revenue from Contract with customers in its initial year of application.

Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally when the product is shipped to the customer. The revenue from sale of Rings, Pins and Orbital cold formed transmission products is based on the terms of the tender.

The Group receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. Thus, there is no significant financing component.

Other Revenues

Other operating revenues comprise of income from ancillary activities (eg: scrap sales) incidental to the operations of the Group and is recognised when the right to receive the income is established as per the terms of the contract.

Service income is recognised as and when services are rendered as per the terms of the contract.

Revenue in respect of export benefits is recognised when the certainty of realisation of the benefit is established.

Revenue in excess of invoicing (referred to also as unbilled revenue) are classified as Contract Assets while invoicing in excess of revenues (referred to also as unearned revenue) are classified as Contract liabilities.

12. Other income

Interest: Interest income is calculated on effective interest rate, but recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend: Dividend income is recognised when the right to receive dividend is established.

Insurance Claim: Insurance Claims are recognised when the claims are assessed to be receivable.

Rental Income: Rental income from operating leases is accrued based on the terms of the relevant lease.

13. Employee benefits

(I) Post-Employment Benefits

(a) <u>Defined Contribution Plans:</u>

(i) <u>Contribution to Provident Fund</u>

The Group makes monthly Provident Fund contributions at specified percentage of specified salary in accordance with the provisions of Employees Provident Funds and Miscellaneous Provisions Act 1952 which is charged to the Statement of Profit and Loss.

(ii) <u>Contribution to Superannuation Fund</u>

The Group makes annual Superannuation Fund contributions to defined contribution plan, administered by Life Insurance Corporation of India, for qualifying employees. Under the scheme, the Group is required to contribute a specified percentage of specified salary to fund the benefits. The contribution is charged to the Statement of Profit and Loss.

(b) <u>Defined Benefit Plans:</u>

(i) <u>Gratuity</u>

In accordance with The Payment of Gratuity Act 1972, the Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a payment to vested employees at retirement, death while in employment or on termination of employment, an amount equivalent to 15 days' salary payable for each year of completed service, subject to maximum amount as may be prescribed. Vesting occurs upon completion of five years of service, except in case of death while in employment in which case the legal heirs would receive the gratuity.

The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. The retirement benefit obligation recognized as expenditure represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets. The Group makes contribution to Life Insurance Corporation of India to administer the fund. The changes in the actuarial assumptions are accounted through Other Comprehensive Income.

(ii) Compensated absences:

The Group provides for the encashment of leave or leave with pay subject to the group policy (The employees are paid in excess of the accumulated leave for the year). The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation.

(iii) Short Term employee benefits

The undiscounted amount of short-term employee benefits, expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the services.

14. Current and deferred tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the temporary differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Group has unabsorbed depreciation or carry forward losses or MAT Credit, deferred tax assets are recognised only if there is a reasonable certainty supported by convincing evidence that they can be realised against future taxable profits. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Group re-assesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

15. Provisions and contingent liabilities

Provisions: Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Current Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets: Contingent Assets are disclosed when there is a possible benefit expected from past events, the existence of which will be confirmed only the occurrence or non-occurrence of one or more uncertain future events not wholly within the Control of the Group .

Product Warranty Expenses: Product Warranty expenses are accounted based on the claims received and accepted during the year and estimates in accordance with the warranty policy of the Group .

16. Leases

The Group , at the inception of a contract, assesses whether the contract is a lease or not a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 01, 2019.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made on or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group’s incremental borrowing rate. It is remeasured when there is a change in the future lease payments arising from a change in an index rate or is there is a change in the Group 's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets (assets of less than Rs 5 lakhs in value). The Group recognises the lease payments associated with these leases as an expense over the lease term.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as costs relating to the termination of the lease and the importance of the underlying asset to the Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

17. Segment Accounting

The Group operates in single segment. Operating segment is reported in a manner consistent with the internal reporting provided to the chief decision maker. Refer Note 39 for segment information presented.

18. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

19. Cash and cash equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

20. Contributed Equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

21. Dividend

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as liability on the date of declaration by the Board.

22. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in Consolidated Statement of profit or loss in the period in which they are incurred.

23. Government Grants

Government grants (including export incentives) are recognised when there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in Consolidated statement of profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

24.Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Consolidated Statement of profit or loss.