SHRIRAM PISTONS & RINGS LTD.
REGD. / H.O. : 3rd FLOOR, HIMALAYA HOUSE, 23, KASTURBA GANDHI MARG, NEW DELHI-110 001 (INDIA)
SHRIRAM

July 1, 2024

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (East)
Mumbai – 400051

ISIN: INE526E01018

Company Symbol: SHRIPISTON

Subject: Notice of the 60th Annual General Meeting (AGM) and Annual Report for FY 2023-24

Dear Sir/Madam,

This has reference to letter dated May 13, 2024, intimating that the 60th Annual General Meeting ("AGM") of the Company will be held on Wednesday, July 24, 2024, through video conferencing/other audio-visual means.

In continuation to the aforesaid letter and pursuant to Regulation 34(1) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the following:

1) Annual Report for the Financial Year 2023-24; and
2) Notice of the 60th Annual General Meeting (AGM) of the Company (including e-voting instructions).

The PDF version of the Annual Report and AGM Notice can be accessed/ downloaded from the weblink given below:

- https://shrirampistons.com/wp-content/uploads/2024/06/ANNUAL-REPORT-2023-24.pdf
- https://shrirampistons.com/wp-content/uploads/2024/06/AGM-Notice-2024.pdf

The aforesaid documents are being mailed electronically to those Members/Shareholders whose email IDs are registered with the Company/Alankit Assignments Limited (Registrar and Transfer Agent of the Company) or the Depositories and the physical copies of the same will be provided to the Members on request.

We request you to kindly take the above information on record and treat this as compliance with the SEBI Listing Regulations.

Thanking you.

Yours faithfully,

For **Shriram Pistons & Rings Limited**

PANKAJ GUPTA
Digitally signed by PANKAJ GUPTA
Date: 2024.07.01 16:52:19 +05'30'

(Pankaj Gupta)
Company Secretary & Compliance Officer
Membership No.: F4647

SHRIRAM PISTONS & RINGS LIMITED

Registered Office: 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi -110 001
Ph.: +91 11 2331 5941, Fax: +91 11 2331 1203, Website: www.shrirampistons.com
E-mail: compliance.officer@shrirampistons.com
CIN: L29112DL1963PLC004084

SHRIRAM

NOTICE

The 60th (sixtieth) Annual General Meeting (AGM) of Shriram Pistons & Rings Limited (Company) will be held on **Wednesday, July 24, 2024** at 4:00 p.m. Indian Standard Time (IST) through **Video Conferencing/Other Audio-Visual Means** (VC/OAVM) at the Registered Office of the Company at 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi -110 001 (Deemed Venue), to transact the following business(es): -

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended March 31, 2024, the Board's Report and Auditors' Report thereon
2. To declare dividend on Equity Shares
3. To appoint a Director in place of Ms. Meenakshi Dass (DIN: 00524865), who retires by rotation and being eligible, offers herself for re-appointment
4. To appoint a Director in place of Mr. Pradeep Dinodia (DIN: 00027995), who retires by rotation and being eligible, offers himself for re-appointment

SPECIAL BUSINESS

5. **Remuneration of Cost Auditors for the financial year 2024-25**

   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 148(3) and other applicable provisions of the Companies Act, 2013 (Act) read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or amendment(s) or re-enactment (s) thereof, for the time being in force), the remuneration payable to Chandra Wadhwa & Co., Cost Accountants, (Firm Registration No. 00239), appointed by the Board of Directors as Cost Auditors to conduct audit of the cost records of the Company for the financial year ending March 31, 2025, amounting to Rs. 3,20,000/- (Rupees Three Lakh Twenty Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified and approved.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to the above resolution."

6. **Re-appointment of Mr. Shinichi Unno (DIN: 09189521) as Non-Executive Independent Director for a second term of 5 (five) consecutive years commencing from 29.7.2024 to 28.7.2029 (both days inclusive)**

   To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as a **Special Resolution:**-

   "**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 of the Companies Act, 2013 ("Act") read with Schedule IV and the Companies (Appointment and Qualifications of Directors) Rules, 2014 ("Rules") and other applicable provisions of the Act and Regulation 17, 25(2A) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015") including any statutory modification(s), amendment(s), or re-enactment(s) thereof for the time being in force, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Shinichi Unno (DIN: 09189521), and who being eligible for re-appointment as an Independent Director has given his consent along with a declaration that he meets the criteria for Independent Directorship as provided under Section 149(6) of the Act and the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, 2015 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing from 29.7.2024 to 28.7.2029 (both days inclusive).

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to the aforesaid resolution including delegation of all or any of the powers conferred on it to any committee of Board of Directors and/or any other person as it deems fit and to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

7. **Re-appointment of Mr. Hari Shanker Bhartia (DIN: 00010499) as Non-Executive Independent Director for a second term of 5 (five) consecutive years commencing from 31.3.2025 to 30.3.2030 (both days inclusive)**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as a **Special Resolution:**-

"**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 of the Companies Act, 2013 ("Act") read with Schedule IV and the Companies (Appointment and Qualifications of Directors) Rules, 2014 ("Rules") and other applicable provisions of the Act and Regulation 17, 25(2A) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015") including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Hari Shanker Bhartia (DIN: 00010499), and who being eligible for re-appointment as an Independent Director has given his consent along with a declaration that he meets the criteria for Independent Directorship as provided under Section 149(6) of the Act and the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, 2015 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing from 31.3.2025 to 30.3.2030 (both days inclusive).

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to the aforesaid resolution including delegation of all or any of the powers conferred on it to any committee of Board of Directors and/or any other person as it deems fit and to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

8. **Appointment of Ms. Tina Trikha (DIN: 02778940) as Non-Executive Independent Director of the Company for a period of 5 (five) years effective from 13.5.2024 to 12.5.2029 (both days inclusive)**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as a **Special Resolution**:-

"**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152, 161 of the Companies Act, 2013 ("Act") read with schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 ("Rules") and other applicable provisions of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015") (including any statutory modification(s) or amendment(s), or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, Ms. Tina Trikha (DIN: 02778940), who was appointed as an additional director in the capacity of Non-Executive Independent Director of the Company w.e.f 13.5.2024 and who holds office up to the date of this Annual General Meeting of the Company and who has submitted a declaration that she meets the criteria of the Independent Directorship as provided in section 149(6) of the Act and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Independent Director of the Company, be and is hereby appointed, as a Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a period commencing from 13.5.2024 to 12.5.2029 (both days inclusive).

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to settle any question, difficulty, or doubt, that may arise in giving effect to the aforesaid resolution including delegation of all or any of the powers conferred on it to any committee of Board of Directors and/or any other person as it deems fit and to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

9. **Appointment of Mr. Yasunori Maekawa (DIN: 06952173) as Non-Executive Director of the Company**

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 read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions, sections, rules of the Companies Act, 2013 ("Act") and the

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and and pursuant to the recommendation of Nomination & Remuneration Committee and Board of Directors of the Company, Mr. Yasunori Maekawa (DIN: 06952173), who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 13.5.2024 as per Section 161(1) of the Act and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to settle any question, difficulty, or doubt, that may arise in giving effect to the aforesaid resolution including delegation of all or any of the powers conferred on it to any committee of Board of Directors and/or any other person as it deems fit and to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

10. **Re-appointment of Mr. Krishnakumar Srinivasan (DIN: 00692717) as the Managing Director & Chief Executive Officer ("MD & CEO") of the Company and Scheme of Advance to MD & CEO**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as a **Special Resolution**:-

"**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the Rules), SEBI Listing Regulations, 2015, as may be applicable, (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactment(s) thereof for the time being in force), the Articles of Association of the Company and subject to such approvals, permissions & sanctions as may be necessary and such conditions & modifications, as may be prescribed or imposed by any of the authorities and pursuant to the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors, the consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Krishnakumar Srinivasan (DIN: 00692717) as the Managing Director & CEO of the Company for a period of five (5) years effective from 11.2.2025 up to 10.2.2030 (both days inclusive) upon the terms and conditions as set out in the Explanatory Statement annexed to the Notice of Annual General Meeting, which shall be deemed to form part hereof.

RESOLVED FURTHER THAT pursuant to the provisions of Section 185 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with relevant rules (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactment(s) thereof for the time being in force), as may be applicable and the Articles of Association of the Company and subject to such approvals, permissions and sanctions as may be necessary and such conditions and modifications, as may be prescribed or imposed by any of the authorities and pursuant to the recommendation of the Nomination & Remuneration Committee, Audit Committee and approval of the Board of Directors, the consent of the Members, be and is hereby accorded to a Scheme of interest-free advance upto a maximum of Rs. 150 million (Rupees One Hundred Fifty Million only) to Mr. Krishnakumar Srinivasan, MD & CEO (repayable in five equal yearly instalments) for purchasing a residential accommodation in the National Capital Region ("Scheme") as set out in the Explanatory Statement annexed to the Notice of Annual General Meeting, which shall be deemed to form part hereof.

RESOLVED FURTHER THAT Mr. Pradeep Dinodia, Chairman of the Company, be and is hereby authorized to finalize the terms & conditions of the Scheme, sanction and disburse the advance to MD & CEO and sign necessary agreement(s), Scheme and other related documents as may be deemed necessary or expedient in connection therewith and incidental thereto and as agreed to with Mr. Krishnakumar Srinivasan to give effect to the aforesaid resolution and also to settle any issues, questions, difficulties or doubts that may arise in this regard.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorised to settle any question, difficulty, or doubt, that may arise in giving effect to the aforesaid resolution including delegation of all or any of the powers conferred on it to any committee of Board of Directors and/or any other person as it deems fit and to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

11. **The payment of 0.60% of the profit commission to the Chairman for the Financial Year 2024-25**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as a **Special Resolution**:-

"**RESOLVED THAT** pursuant to provisions of Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Section 197, 198 and Rules made thereunder and other applicable provisions if any, of the Companies Act, 2013 ("Act") and approval given by the Members in their meeting held on 6.7.2021 to pay profit commission of upto 1% of annual profits of the Company (Profit before depreciation, donation and

taxes) to some or any of the Directors of the Company (other than the Executive Directors) for whole or proportionately for a part of each of its financial years from 1.4.2021 to 31.3.2025, the consent of the Members be and is hereby accorded that out of the above profit commission of upto 1% of annual profits, 0.60% be paid to the Chairman for the Financial Year 2024-25."

By order of the Board of Directors
For Shriram Pistons & Rings Limited

Pankaj Gupta
Company Secretary
Membership No. FCS 4647
3rd Floor, Himalaya House, 23, K.G. Marg, New Delhi -110 001

New Delhi
May 13, 2024

NOTES TO NOTICE OF MEETING

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") as amended from time to time, setting out the material facts concerning the special business(es) specified in Item Nos. 5 to 11 of the accompanying notice, is annexed hereto. Further, the relevant details with respect to Item Nos. 3,4,6,7,8,9,10 pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015") and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/re-appointment at this AGM are also annexed as annexure-1. The Company has received relevant disclosures/consent from the Directors seeking appointment/re-appointment.
2. The Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No. 20/2020 dated May 5, 2020, No. 22/2020 dated June 15, 2020, No. 33/2020 dated September 28, 2020, No. 39/2020 dated December 31, 2020, No. 10/2021 dated June 23, 2021, No. 20/2021 dated December 8, 2021, No. 3/2022 dated May 5, 2022, No. 11/2022 dated December 28, 2022, and No. 09/2023 dated September 25, 2023 (hereinafter collectively referred to as "MCA Circulars") permitted the holding of the AGM through VC/ OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the 60th Annual General Meeting (AGM) of the Company is being held through Video Conferencing (VC)/Other Audio Visual Mode (OAVM). The Registered Office of the Company shall be deemed to be the venue for the AGM.
3. In accordance with the aforesaid MCA Circulars and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023, issued by the Securities Exchange Board of India (collectively referred to as (SEBI Circulars), the Notice of the 60th AGM along with the Annual Report for FY 2023-24 is being sent by electronic mode to those Members/ Shareholders whose e-mail addresses are registered with the Company/RTA, National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories".

   In case any Member is desirous of obtaining a physical copy of the Annual Report for the FY 2023-24 and Notice of the 60th AGM of the Company, he/she/they may send a request to the Company by writing at compliance.officer@shrirampistons.com mentioning their Folio No. or DP ID and Client ID.
4. Members may note that the Notice and the Annual Report for the FY 2023-24, will also be available on the Company's website at https://shrirampistons.com/investors-guide-2/ and the website of the stock exchange i.e. National Stock Exchange of India Limited at www.nseindia.com. The Notice will also be available on the CDSL's website at www.evotingindia.com.
5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxy (ies) by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map of AGM are not annexed to this Notice.
6. 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.
7. Corporate/Institutional Members (i.e. other than individuals, HUFs, NRIs, etc.) are entitled to appoint authorised representatives to attend the AGM through VC/OAVM on their behalf and cast their votes through remote

e-voting or at the AGM. Corporate/ Institutional Members intending to authorize their representatives to participate and vote at the Meeting are requested to send a scanned copy (PDF/JPG format) of the certified copy of the Board resolution/authorisation letter to the Scrutiniser at cspreeti96@gmail.com with a copy marked to CDSL helpdesk.evoting@cdslindia.com and to the Company at compliance.officer@shrirampistons.com, authorising its representative(s) to attend through VC/OAVM and vote on their behalf at the Meeting, pursuant to Section 113 of the Act.

The scanned image of the above-mentioned documents should be in the naming format "Company Name and Event No./EVSN"

8. Book Closure and Dividend:

i) Pursuant to Section 91 of the Act and Regulation 42 of the SEBI Listing Regulations, 2015, the Register of Members and the Share Transfer books of the Company will remain closed from **Thursday, July 18, 2024 to Wednesday, July 24, 2024 (both days inclusive)** for the purpose of 60th AGM of the Company and for determining the entitlement of the shareholders for final dividend for the FY 2023-24, as may be approved by the Members at the meeting.

ii) The Board of Directors ("Board") of the Company at its meeting held on 13.5.2024 have, interalia, approved and recommended dividend of Rs. 10/- per equity share including interim dividend of Rs. 5/- per equity share already paid, of the face value of Rs. 10/- each fully paid up for the financial year ended 31st March, 2024 subject to the approval of members at the ensuing AGM.

iii) The dividend, as recommended by the Board, if approved at this AGM, would be paid subject to deduction of tax at source (TDS), as may be applicable, within a period of 30 days from the date of declaration, to those persons or their mandates:

a) whose names appear as Beneficial Owners as at the end of the business hours on **Wednesday, July 17, 2024 (Record Date)** in the list of Beneficial Owners to be furnished by NSDL and CDSL in respect of the shares held in electronic form; and

b) whose names appear as Members in the Register of Members of the Company as of the end of the business hours on **Wednesday, July 17, 2024 (Record Date)** after giving effect to valid request(s) received for transmission/transposition of shares.

iv) Pursuant to the amendments introduced in the Income Tax Act, 1961 vide Finance Act, 2020, dividend income is taxable in the hands of the shareholders/members w.e.f. 1.4.2020. The Company shall, therefore, be required to deduct TDS/ Withholding Tax (TDS/WHT) at the time of payment of the dividend at the applicable tax rates. The rates of TDS/WHT would depend upon the category and residential status of the shareholder as briefed hereunder:

A. Tax on Dividend to Resident Shareholders

I. Tax on dividend amount to Resident Individual Shareholders

a) Tax shall not be deducted on payment of dividend to **Resident Individual Shareholder**, if the total amount of dividend payable during the financial year does not exceed Rs. 5,000/-.

b) Tax to be deducted on payment of dividend to Resident Individual Shareholder, if the total amount of dividend payable during the financial year exceeds Rs. 5,000/- in the following manner:

Category of shareholder	Applicable tax rate	Documents required to be submitted
Resident individual shareholders with PAN	10%	PAN is to be updated with the Depository Participant / RTA.
Resident individual shareholders without PAN / invalid PAN	20%	NA

c) Resident Individual Shareholders, who desire to avail exemption from deduction of tax on payment of dividend exceeding Rs. 5,000/- during the financial year can do so in the following manner:

Category of shareholder	Applicable tax rate	Documents required to be submitted
Resident Individual shareholders with PAN :- a) For individuals with no tax liability on total income b) For individuals above the age of 60 years with no tax liability on total income	Nil	Copy of self-attested PAN & Declaration in Form 15G Copy of self-attested PAN & Declaration in Form 15H

II. Tax on dividend amount to Resident Non-Individual Shareholders

Tax on dividend payable during the financial year to Resident Non-Individual Shareholders shall be deducted either @ 10% or at applicable rates. They can avail the exemption from TDS by submitting the following documents:

Category of shareholder	Applicable tax rate	Documents required to be submitted
Mutual Fund specified under Section 10(23D) of the Income Tax Act, 1961	Nil	Copy of self-attested PAN & Certificate of registration with SEBI Declaration under section 10(23D) of the Income Tax Act, 1961
An Insurance Company exempted under Section 194 of the Income Tax Act	Nil	Copy of self-attested PAN & Certificate of registration with Insurance Regulatory and Development Authority (IRDA)/ LIC/ GIC Declaration qualifying as Insurer as per section 2(7A) of the Insurance Act, 1938.
An Alternate Investment Fund (AIF established in India)	Nil	Copy of self-attested PAN & registration certificates for either Category I or Category II AIF as per SEBI Regulations Declaration under section 10(23FBA) of the Income Tax Act for exemption.
Other Non-Individual shareholders	Nil	Copy of self-attested PAN Declaration along with self-attested copy of documentary evidence supporting the exemption.
Shareholders who have submitted order u/s 197 of the Income Tax Act	As per Order	Copy of self-attested PAN Lower/NIL withholding tax certificate for the FY 2023-24 obtained from tax authority to be submitted to claim the lower tax rates.

B. Tax on Dividend to Non-Resident Shareholders

TDS/WHT on payment of dividend during the financial year to Non-Resident Shareholders shall be as follows:

Non-resident shareholders shall be taxed @ 20% plus applicable surcharge and cess on the dividend payable during the financial year. They can avail beneficial rates under Tax the treaty between India and country of tax residence of the shareholder, subject to submission of necessary documents i.e. Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits.

Format for submission of various declarations mentioned above are made available on the Company's website and the shareholders are requested to provide signed declarations to the Company at 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi -110 001 or to the Company's RTA viz. Alankit Assignments Limited, 205 - 208, Anarkali Complex, Jhandewalan Extension, New Delhi – 110 055, Tel: 011- 42541234, E-mail ID: info@alankit.com on or before 24.7.2024 (Date of AGM).

C. SPECIAL PROVISIONS OF SECTION 206AB OF THE ACT

(For non-filers of tax return - For resident shareholders and selected non-resident shareholders)

The Finance Act, 2021 has interalia inserted the provisions of Section 206AB of the Income Tax Act which introduced special provisions for TDS in respect of non-filers of income-tax return with effect from July 1, 2021. The term 'specified person' is defined in sub section (3) of Section 206AB and covers the persons who meet the following conditions:

– A person who has not furnished/filed the return of income for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for furnishing the return of income under sub-section (1) of section 139 has expired; and

– The aggregate of tax deducted at source (TDS) and tax collected at source (TCS) in his/her case is Rs. 50,000 or more in the said previous year.

TDS is required to be deducted at higher of the following rates in case of payments to specified persons:

– twice the rate specified in the relevant provision of the Act; or

– twice the rate or rates in force; or

– the rate of 5%

As per the provisions of the newly introduced Section 206AB the verification as required under this section will be done by the Company from the Income Tax portal and applicable tax will be deducted. The decision of the Company in this respect will be final and for any refund of tax, the shareholder has to file the return of income and claim tax refund.

For shareholders having multiple accounts under different status/category

Members holding shares under multiple accounts under different status/category and a single PAN may note that, higher the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts. In the case of joint shareholding, the shareholder named first in the Register of Members is required to furnish the requisite documents for claiming any applicable beneficial tax rate.

Members may note that in case the tax on said dividend is deducted at a higher rate in the absence of timely receipt, or insufficiency/incomplete/incorrectness of the aforementioned details/documents from you, an option is available to you to file the return of income as per the Income Tax Act and claim an appropriate refund, if eligible.

No claim shall lie against the Company for such tax deductions.

9. Updation of mandate for receiving dividend directly in a bank account through an Electronic Clearing System or any other means in a timely manner:

Shares held in physical form: In order to receive dividend in a timely manner, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means ("Electronic Bank Mandate"), can register their 'Electronic Bank Mandate' to receive dividends directly into their bank account electronically or any other means, by sending scanned copy of the following details/ documents by e-mail to the Company at compliance.officer@shrirampistons.com:

a) Form ISR-1 along with supporting documents as follows. The said form is available on the Company's website at https://shrirampistons.com/investors-guide-2/ under the **"Investor Forms"** tab.

b) Cancelled cheque in original, bearing the name of the Member or first holder, in case shares are held jointly; In case name of the holder is not available on the cheque, kindly submit the following documents:

   i) Cancelled cheque in original

   ii) Bank-attested legible copy of the first page of the Bank Passbook/Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf and full address of the bank branch.

c) Self-attested scanned copy of the PAN Card; and

d) Self-attested scanned copy of any document (such as Aadhar Card, Driving Licence, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

Further, for the members holding shares in physical form and whose bank particulars are already registered with RTA, the same will be considered by the Company for payment of the final dividend. However, in case the Company's dividend banker is unable to process the final dividend to any member by electronic mode, due to the non-availability of the details of the bank account or for any other valid reason whatsoever, the Company shall dispatch the dividend warrants/demand drafts to such Member by post on their registered address.

Shares held in demat form: Members holding shares in electronic form may note that the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its RTA cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant (DP) of the members.

Accordingly, the Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective DPs.

10. Updation of PAN, KYC and nomination details

Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney and bank details such as, the name of the bank and branch details, bank account number, MICR code, IFSC code, etc.

a) For shares held in electronic form: To their Depository Participants ("DPs")

b) For shares held in physical form: To the Company/RTA in prescribed Form ISR-1 and other forms pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated October 12, 2023. To mitigate unintended

challenges on account of freezing of folios, SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023, has done away with the provision regarding freezing of folios not having PAN, KYC, and Nomination details.

The Company has sent individual letters to all the shareholders holding shares of the Company in physical form for furnishing their PAN, KYC, and nomination details. The relevant Circular(s) and necessary forms in this regard have been made available on the Company's website at https://shrirampistons.com/investors-guide-2/.

Accordingly, the members are advised to register their details with the Company/RTA or DPs, in compliance with the aforesaid SEBI guidelines for smooth processing of their service requests and trading without any hindrance.

11. Issue of securities in dematerialised form

a) In terms of Regulation 40(1) of SEBI Listing Regulations, 2015 and SEBI vide its notification dated 24th January, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, the members are advised to dematerialise their holdings. Members can contact the Company or RTA, for assistance in this regard.

b) Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated 25th January 2022 (subsumed as part of the SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 7th May 2024) has mandated Listed Companies to issue securities for the following investor service requests only in dematerialized form: (i) issue of duplicate securities certificate; (ii) claim from unclaimed suspense account; (iii) renewal/exchange of securities certificate; (iv) endorsement; (v) sub-division/splitting of securities certificate; (vi) consolidation of securities certificates/folios; (vii) transmission; and (viii) transposition.

Accordingly, the members are requested to make service request by submitting a duly filled and signed Form No. ISR-4, the format of which is available on the Company's website at https://shrirampistons.com/investors-guide-2/ under the 'Investor Forms' tab. Members are requested to note that any service request will only be processed after the folio is KYC Compliant.

12. **Nomination facility:** As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website https://shrirampistons.com/investors-guide-2/ under the 'Investor Forms' tab. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to Company/RTA in case the shares are held in physical form.

13. In the case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date will be entitled to vote during the AGM.

14. Online Dispute Resolution Portal ("ODR Portal")

SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as of August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.

Pursuant to the above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/Company directly and through the existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login) and the same can also be accessed through the Company's website https://shrirampistons.com/investors-guide-2/ under "Online Dispute Resolution (ODR) Portal" tab.

15. Members seeking any information with regard to the financial statements or any matter to be placed at the AGM are requested to write to the Company on or before July 24, 2024, through e-mail at compliance.officer@shrirampistons.com. The same will be replied to by the Company suitably.

16. Unpaid/Unclaimed Dividend

Members are requested to note that dividends, if not encashed for a period of 7 years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of which the dividend has remained unclaimed for 7 consecutive years or

more from the date of transfer to the unpaid dividend account shall also be transferred to IEPF. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

The Members, whose unclaimed dividends and/or shares have been transferred to IEPF, may contact the Company or RTA and submit the required documents for the issue of Entitlement Letter. The Members can attach the Entitlement Letter and other required documents and file the IEPF-5 form for claiming the dividend and/or shares available on www.iepf.gov.in. For details, please refer to Corporate Governance Report which is a part of this Annual report. The procedure for claiming the shares from IEPF Authority is available on https://shrirampistons.com/investors-guide-2/.

During the year under review, the Company had sent individual notices members seeking action from the shareholders who have not claimed their dividends for seven consecutive years or more. Accordingly, the Company had transferred the unclaimed/unpaid dividend and corresponding shares to the IEPF Authority.

Financial Year	Amount of unclaimed dividend transferred	No. of shares transferred
2015-16 (Final Dividend)	Rs. 35,476/-	394*
2016-17 (Interim Dividend)	Rs. 67,782/-	Nil
Note: *The voting rights on these shares shall remain frozen until the shareholder claims those shares from the IEPF authority.		

17. **Scrutinizer for e-Voting:** The Board of Directors has appointed Ms. Preeti Grover, Practicing Company Secretary (ICSI M. No. FCS 5862 & COP No. 6065), Proprietor M/s PG & Associates and in her absence Ms. Shabnam Kapoor (FCS 4258), as the Scrutinizer to scrutinize that the process of remote e-voting and voting at the AGM happens in fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting (votes cast during the AGM and votes cast through remote e-voting) and will submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the results of voting forthwith. The voting results will be announced within 2 (two) working days from the conclusion of its AGM in the format specified by SEBI.

The result declared along with the Scrutinizer's Report shall be placed on the Company's website at https://shrirampistons.com/investors-guide-2/ and on CDSL's website www.cdslindia.com simultaneously. The Company shall simultaneously forward the results to the National Stock Exchange of India Limited (NSE), where the shares of the Company are listed.

18. INSTRUCTIONS FOR E-VOTING AND ATTENDING THE AGM THROUGH VC FACILITY:

Voting through Electronic Means

(i) In compliance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations, 2015 (as amended) and SEBI Circulars, the Company is pleased to provide its members the facility for voting through remote e-voting as well as e-voting during the AGM in respect of all the businesses to be transacted at the AGM and has engaged the services of the Central Depository Services (India) Limited (CDSL) (authorized e-Voting's agency) to provide remote e-voting facility, for participation in the AGM through VC/OAVM facility and e-voting during the AGM.

(ii) The **remote e-voting period** commences on **Sunday, July 21, 2024 (9:00 a.m. IST)** and ends on **Tuesday, July 23, 2024 (5:00 p.m. IST)**. During this period, Members holding shares either in physical form or in dematerialized form, as of **Wednesday, July 17, 2024, i.e. cut-off date**, may cast their vote electronically.

The e-voting module shall be disabled by CDSL for voting thereafter. A person who is not a Member as of the cut-off date should treat this Notice for information purposes only.

Members have the option to cast their vote on any of the resolutions using the remote e-voting facility, either during the period commencing on Sunday, July 21, 2024 and ending on Tuesday, July 23, 2024, or e-voting during the AGM.

The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution again.

(iii) The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the **cut-off date i.e. Wednesday, July 17, 2024**.

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

In order to increase the efficiency of the voting process, and pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the e-voting service providers (ESPs), thereby, not only facilitating seamless authentication but also enhancing the ease and convenience of participating in the e-voting process.

A. Instructions for Individual shareholders holding securities in Demat mode for logging in for remote e-voting (before this AGM) and joining the AGM through VC are as under:

Type of Shareholders	**Login Method**
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. The option will be made available to reach the e-voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and then click on Login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-voting service provider i.e. CDSL/NSDL/KARVY/LINK INTIME, as per information provided by Issuer/ Company. Additionally, CDSL is providing links to 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's website www.cdslindia.com , where the user has to click on Login icon & 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 from a e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & E-mail as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open the web browser by typing the following URL: https://eservices.nsdl.com. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on **"Access to e-voting"** under e-voting services and you will be able to see the e-voting page. Click on the Company name or the e-voting service provider name and you will be redirected to the e-voting service provider website for casting your vote during the remote e-voting period or joining a virtual meeting & voting during the meeting. 2) If the user is not registered for the IDeAS e-Services, the option to register is available at https://eservices.nsdl.com. Select the "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3) Alternatively, you can directly access the e-voting page https://www.evoting.nsdl.com/ and click on "Login" which is available under the **'Shareholder/Member'** section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit Demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to the NSDL Depository site wherein you can see the e-voting page. Click on the Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining a virtual meeting & voting during the meeting.
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 the e-voting facility. After successful login, you will be able to see the e-voting option. Once you click on the e-voting option, you will be redirected to the NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the Company name or the e-voting service provider name and you will be re-directed to the e-voting service provider website for casting your vote during the remote e-voting period or joining a virtual meeting & voting during the meeting.

Note: Members who are unable to retrieve their User ID/Password are advised to use the 'Forget User ID'/'Forget Password' option available at the above mentioned website.

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

Login method for e-voting and joining virtual meetings for **Physical shareholders and shareholders other than Individuals holding in Demat form.**

(i) The shareholders should log on to the e-voting website www.evotingindia.com.

(ii) Click on the "Shareholders/Members" module.

(iii) Now enter your User ID:

a) For CDSL: 16 digits beneficiary ID

b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID

c) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company

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

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

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

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members/Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number communicated by the Company/ RTA through e-mail or contact the Company/RTA. In case email ids are not registered with the Company/depositories for such shareholders, they are requested to follow the instructions given in Para F below to obtain login credentials for e-voting.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or Company, please enter the member id/folio number in the Dividend Bank details field as mentioned in the instructions.

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

(viii) Members holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach the 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that the Company opts for e-voting through the CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

C. Common instructions for all shareholders logging in for remote e-voting (before this AGM) and joining at the AGM through VC are as under:

Upon logging in as per para A or B above, Members need to follow the instructions as mentioned below:

(i) Click on the EVSN for 'Shriram Pistons & Rings Limited'.

(ii) On the voting page, you will see **"RESOLUTION DESCRIPTION"** and against the same the option **"YES/NO"** for voting. Select the option YES or NO as desired. The option "YES" implies that you assent to the Resolution and option "NO" implies that you dissent to the Resolution.

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

(iv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

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

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

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

D. Note for Non–Individual Shareholders and Custodians – Remote e-voting

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

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

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

(iv) The list of accounts linked in the login will be mapped automatically and can be delinked in case of any wrong mapping.

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

(vi) Alternatively, non-individual shareholders can send the relevant board resolution/ authority letter etc. together with attested specimen signature of the duly authorized signatory who is authorized to vote, to the Scrutinizer at cspreeti96@gmail.com and to the Company at the email address at compliance.officer@shrirampistons.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

E. Instructions for members for attending the AGM through VC, and e-voting during the AGM are as under:

i) The procedure for attending the AGM through VC, and e-voting during the AGM is the same as the instructions mentioned above for remote e-voting.

ii) The link for VC to attend the AGM will be available where the EVSN of the Company will be displayed after successful login as per the instructions mentioned above for remote e-voting.

iii) The members who have cast their votes by remote e-voting prior to the meeting may also attend the meeting by VC, but shall not be entitled to cast their vote again during the meeting.

iv) Only those Members, who are present in the AGM through VC and have not cast 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 which shall be available during the AGM.

v) If any votes are cast by a Member through the e-voting available during the AGM and if the said Member has not participated in the meeting through VC, then the votes cast by such Member shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

vi) Members are encouraged to join the Meeting through Laptops/iPads for a better experience.

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

viii) Please note that Members/Participants Connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuations in their respective networks. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforementioned glitches.

ix) For the convenience of the members and proper conduct of the AGM, members can login and join at least 15 minutes before the scheduled time of commencement of the AGM and the meeting link shall be kept open throughout the proceedings of the AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on a first come first served basis. However, this number does not include the large Shareholders i.e. Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

x) Speaker Registration

Shareholders who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request in advance at least **2 days** prior to the meeting mentioning their name, demat account number/folio number, email id and mobile number at compliance.officer@shrirampistons.com. The Shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 2 days prior to the meeting mentioning their name, demat account number/ folio number, email id and mobile number at compliance.officer@shrirampistons.com. These queries will be replied to by the Company suitably.

The Company reserves the right to limit the number of Members asking questions depending on the availability of time at the AGM. Those Shareholders who have registered themselves as speaker will only be allowed to express their views/ask questions during the AGM.

F. Process for Shareholders whose email addresses are not registered with the Company/depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:

For Physical shareholders - please provide necessary details like Folio No., name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company at compliance.officer@shrirampistons.com.

For Demat shareholders - please provide the Demat account number, name, client master or copy of the Consolidated Account statement, PAN (self-attested scanned copy), AADHAR (self-attested scanned copy) to Company at compliance.officer@shrirampistons.com.

The Company shall provide the login credentials to the abovementioned shareholders.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact the CDSL helpdesk by sending a request to helpdesk.evoting@cdslindia.com or contact at tollfree no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact the NSDL helpdesk by sending a request to evoting@nsdl.co.in or call at 022 - 4886 7000

i) If you have any queries or issues regarding attending the AGM & e-voting from the e-voting System, you may refer to the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under the help section or write an email to helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33.

ii) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 1800 22 55 33.

H. Documents open for inspection

The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. Relevant documents referred to in the accompanying Notice and the Explanatory Statement pursuant to Section 102 of the Act shall be available for inspection through electronic mode from the date of circulation of this Notice up to the date of AGM i.e. 24.7.2024. Members are requested to write to the Company at compliance.officer@shrirampistons.com for inspection of the said documents.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS(ES) IN ITEM NOS. 5 TO 11 PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 5

Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on 13.5.2024, has approved the appointment of M/s Chandra Wadhwa & Co., Cost Accountants, having Firm Registration No. 00239, as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2025 at a remuneration of Rs.3,20,000/- (Rupees Three Lakh Twenty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses.

Pursuant to provisions of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditors is required to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for the Financial Year ending March 31, 2025.

None of the Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out in Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the Members.

ITEM NO. 6

Mr. Shinichi Unno currently holds the office of Non-Executive Independent Director of the Company. The Members approved his appointment at the 57th Annual General Meeting of the Company held on 6.7.2021, to hold office for a period commencing w.e.f. 31.5.2021 upto 28.7.2024. As per the provisions of Section 149 of the Act, an independent director shall hold office for a term of up to 5 (five) consecutive years on the Board of a Company and shall be eligible for re-appointment for a second term of up to 5 (five) consecutive year subject to the approval by the members of the Company by way of passing of a special resolution by the Company.

The NRC after taking into consideration the skills, expertise, knowledge, acumen, experience, and substantial contribution made by Mr. Shinichi Unno during his first tenure and based on the performance evaluation, believed that Mr. Shinichi Unno's continued association as Independent Director of the Company would be beneficial to the Company.

Given the above, the Board of Directors of the Company at its meeting held on 13.5.2024, based on the recommendation of NRC and subject to the shareholder's approval, re-appointed Mr. Shinichi Unno (DIN: 009189521), as a Non-Executive Independent Director of the Company, for a second term of 5 (five) consecutive years commencing from 29.7.2024 upto 28.7.2029 (both days inclusive), not liable to retire by rotation.

The Company has received all statutory disclosures/declarations, including;

i. Consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Appointment Rules;

ii. Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act;

iii. Declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act;

iv. Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/CML/2018/24 dated June 20, 2018, that he has not been debarred from holding the office of a Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority,

v. Confirmation that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact his ability to discharge duties as an Independent Director of the Company, and

vi. A notice in writing by a member proposing his candidature under Section 160(1) of the Act.

vii. Confirmation that he had not been a partner of a firm that had transactions during the last three financial years with Shriram Pistons & Rings Limited or its subsidiaries amounting to 10 (ten) percent or more of its gross turnover.

In the opinion of the Board and based on its evaluation, Mr. Shinichi Unno fulfills the conditions specified in the Act, and Rules made thereunder and SEBI Listing Regulations, 2015 for his re-appointment as Non-Executive Independent Director of the Company and he is independent of the Management of the Company.

A brief resume of Mr. Shinichi Unno and details as required under Regulation 36(3) of the SEBI Listing Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) of ICSI are annexed as Annexure -1.

The terms and conditions of appointment of Mr. Shinichi Unno as an Independent Director would be available for inspection by the Members of the Company on sending a request along with their DP/Client ID or Folio No. from their registered e-mail

address to the Company at compliance.officer@shrirampistons.com. Alternatively, the documents will also be made available at the Registered Office of the Company during office hours on all working days from the date of dispatch until the date of the Annual General Meeting of the Company.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval of the Members.

Except Mr. Shinichi Unno and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel of the Company/ their relatives are in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 6 of the Notice.

ITEM NO. 7

Mr. Hari Shanker Bhartia currently holds the office of Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 27.1.2009 as a Non-Executive Director and was later re-designated as a Non-Executive Independent Director. The Members, in their meeting held on 11.8.2020, had approved his appointment as Non-Executive Independent Director of the Company for five years w.e.f. 31.3.2020 upto 30.3.2025. As per the provisions of Section 149 of the Act, an independent director shall hold office for a term of up to 5 (five) consecutive years on the Board of a Company and shall be eligible for re-appointment for a second term of up to 5 (five) consecutive year subject to the approval by the members of the Company by way of passing of a special resolution by the Company.

The Nomination and Remuneration Committee (NRC) after taking into consideration the skills, expertise, knowledge, acumen, experience, and substantial contribution made by Mr. Hari Shanker Bhartia throughout his tenure with the Company and based on the performance evaluation, believed that Mr. Hari Shanker Bhartia's continued association as Independent Director of the Company would be beneficial to the Company.

Given the above, the Board of Directors of the Company at its meeting held on 13.5.2024, based on the recommendation of NRC and subject to the member's approval, re-appointed Mr. Hari Shanker Bhartia (DIN: 00010499), as a Non-Executive Independent Director of the Company, for a second term of 5 (five) consecutive years commencing from 31.3.2025 up to 30.3.2030 (both days inclusive), not liable to retire by rotation.

The Company has received all statutory disclosures/declarations, including;

i. Consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Appointment Rules;

ii. Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act;

iii. Declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act;

iv. Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/CML/2018/24 dated June 20, 2018, that he has not been debarred from holding the office of a Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority;

v. Confirmation that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact his ability to discharge duties as an Independent Director of the Company; and

vi. A notice in writing by a member proposing his candidature under Section 160(1) of the Act.

vii. Confirmation that he had not been a partner of a firm that had transactions during the last three financial years with Shriram Pistons & Rings Limited or its subsidiaries amounting to 10 (ten) percent or more of its gross turnover.

In the opinion of the Board and based on its evaluation, Mr. Hari Shanker Bhartia fulfills the conditions specified in the Act, and Rules made thereunder and SEBI Listing Regulations, 2015 for his re-appointment as Non-Executive Independent Director of the Company and he is independent of the Management of the Company.

A brief resume of Mr. Hari Shanker Bhartia and details as required under Regulation 36(3) of the SEBI Listing Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) of ICSI are annexed as Annexure -1.

The terms and conditions of appointment of Mr. Hari Shanker Bhartia as an Independent Director would be available for inspection by the Members of the Company on sending a request along with their DP/Client ID or Folio No. from their registered e-mail address to the Company at compliance.officer@shrirampistons.com. Alternatively, the documents will also be made available at the Registered Office of the Company during office hours on all working days from the date of dispatch until the date of the Annual General Meeting of the Company.

Except Mr. Hari Shanker Bhartia and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel of the Company/ their relatives are in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 7 of the Notice.

The Board recommends the Special Resolution set out at Item No. 7 for the approval of the Members.

ITEM NO. 8

The Nomination and Remuneration Committee (NRC) oversees the succession planning for the Board of Directors ('Board') of the Company and towards this, it has adopted a methodical, meritocratic, fair and transparent process to ensure that it recommends the right candidate(s) to serve on the Board. Based on the desired attributes for the selection of the Independent Director(s), NRC was impressed with the credentials and profile of Ms. Tina Trikha and she was identified as the suitable candidate to be inducted as an Independent Director on the Board of the Company.

On 13.5.2024, based on the recommendations of the NRC, the Board of the Company, in terms of Section 161 of the Companies Act, 2013, appointed Ms. Tina Trikha (DIN: 02778940) as an Additional Director (Non-Executive, Independent) on the Board of the Company effective 13.5.2024 to hold office till the conclusion of this AGM.

Further, based on the recommendations of the NRC and subject to the approval of the Members, the Board, in accordance with the provisions of Section 149 read with Schedule IV to the Act, and Regulation 16 of the SEBI Listing Regulations, 2015 appointed Ms. Tina Trikha as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) years commencing from 13.5.2024 to 12.5.2029 (both days inclusive).

A brief resume of Ms. Tina Trikha and details as required under Regulation 36(3) of the SEBI Listing Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) of ICSI are provided as an Annexure-1 to this Notice.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Ms. Tina Trikha for the office of Non-Executive Independent Director of the Company.

The Company has received all statutory disclosures/declarations, including;

i. Consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Appointment Rules;

ii. Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act;

iii. Declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act;

iv. Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/CML/2018/24 dated June 20, 2018, that she has not been debarred from holding the office of a Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority;

v. Confirmation that she is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact her ability to discharge duties as an Independent Director of the Company;

vi. A notice in writing by a member proposing her candidature under Section 160(1) of the Act; and

vii. Confirmation that she had not been a partner of a firm that had transactions during the last three financial years with Shriram Pistons & Rings Limited or its subsidiaries amounting to 10 (ten) percent or more of its gross turnover.

In the opinion of the Board and based on its evaluation, Ms. Tina Trikha is a person of integrity and fulfills the conditions specified in the Act read with Rules made thereunder and the SEBI Listing Regulations, 2015, for her appointment as Non-Executive Independent Director of the Company and she is independent of the Management of the Company.

The terms and conditions of appointment of Ms. Tina Trikha as an Independent Director would be available for inspection by the Members of the Company on sending a request along with their DP/Client ID or Folio No. from their registered e-mail address to the Company at compliance.officer@shrirampistons.com. Alternatively, the documents will also be made available at the Registered Office of the Company during office hours on all working days from the date of dispatch until the date of the Annual General Meeting of the Company.

Except Ms. Tina Trikha and her relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel of the Company/ their relatives are in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 8 of the Notice.

The Board recommends the Special Resolution set forth at Item No. 8 for the approval of the Members.

ITEM NO. 9

The Board, at its meeting on 28.3.2024, acknowledged the resignation of Mr. Masaaki Yamaguchi (Non-Executive Director) from the Company's Board, effective as of the close of business hours on 31.3.2024. Consequently, Mr. Yasunori Maekawa, who served as an Alternate Director to Mr. Yamaguchi, also ceased to be a Director of the Company.

Mr. Yasunori Maekawa has been on the Board since 6.4.2022, acting as an alternate director to Mr. Yamaguchi, and possesses a thorough understanding of the Company's operations.

Considering his skills, knowledge, long & varied experience, exposure to international operations, and association with the Company, and on the basis of recommendations of the NRC, the Board of Directors in its meeting held on 13.5.2024, appointed Mr. Yasunori Maekawa (DIN: 06952173) as an Additional Director (Non-Executive) on the Board of the Company effective 13.5.2024 to hold office till the conclusion of this AGM.

Further, in accordance with the provisions of Section 152 of the Act read with relevant rules framed thereunder, the regularisation of appointment of Mr. Yasunori Maekawa as Non-Executive Director of the Company, liable to retire by rotation, is subject to the approval of Members of the Company.

A brief resume of Mr. Yasunori Maekawa and details as required under Regulation 36(3) of the SEBI Listing Regulations, 2015, and Secretarial Standard on General Meetings (SS-2) of ICSI are provided as an Annexure-1 to this Notice.

The Company has received all statutory disclosures/declarations, including;

i. Consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Appointment Rules;

ii. Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act;

iii. Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/CML/2018/24 dated June 20, 2018, that he has not been debarred from holding the office of a Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority; and

iv. A notice in writing by a member proposing his candidature under Section 160(1) of the Act;

The terms and conditions of appointment of Mr. Yasunori Maekawa as an Non-Executive Director would be available for inspection by the Members of the Company on sending a request along with their DP/Client ID or Folio No. from their registered e-mail address to the Company at compliance.officer@shrirampistons.com. Alternatively, the documents will also be made available at the Registered Office of the Company during office hours on all working days from the date of dispatch until the date of the Annual General Meeting of the Company.

The Board recommends the Ordinary Resolution set out at Item No. 9 for the approval of the Members.

Except Mr. Yasunori Maekawa and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel of the Company/ their relatives are in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 9 of the Notice.

ITEM NO. 10

Mr. Krishnakumar Srinivasan was appointed as Managing Director (MD) of the Company for a period of 5 years, effective from 11.2.2020 up to 10.2.2025 and assumed the additional role of Chief Executive Officer (CEO) w.e.f. 1.4.2021.

During his tenure spanning more than 4 years, Mr. Krishnakumar Srinivasan has been instrumental in propelling the Company's growth and success. He has provided visionary leadership by setting clear direction and strategic goals for the Company. Navigating through both challenges and opportunities, he steered the Company towards achieving its growth targets and sustaining its competitive standing in the market. This growth is evident across multiple metrics, including revenue growth, profitability, market share expansion, and the overall financial performance of the Company. He has been able to build a highly motivated and effective management team that has fully aligned and focused priorities.

Under his leadership and guidance, the Company not only witnessed substantial growth in its existing products but also successfully diversified its product portfolio, thus effectively de-risking the business model. His leadership instilled confidence among stakeholders and strengthened relationships with investors, customers, and employees. His strategic decisions have consistently aligned with the Company's long-term goals, fostering sustainability and resilience in the face of evolving market dynamics.

The summary of the financial performance of the Company during his tenure is as follows:

(Amount in Mn/Rs.)

Particulars	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Revenue from Operations	16,068	15,966	20,647	26,050	29,537
Other Income	198	196	292	462	813
Total Revenue	16,266	16,162	20,939	26,513	30,351
EBIDTA	2,018	2,351	3,337	5,097	7,114
EBIDTA %	12.40	14.50	15.90	19.20	23.4

Given his outstanding performance and significant contributions to the Company's growth, to ensure continuity of leadership and based on the performance evaluation, the Board in its meeting held on 13.5.2024, has, inter-alia considered and approved:

i) upon recommendation of the Nomination & Remuneration Committee, the re-appointment and remuneration of Mr. Krishnakumar Srinivasan (DIN: 00692717) as the MD & CEO of the Company for a further period of 5 years, effective from 11.2.2025 till 10.2.2030, subject to the members' approval; and

ii) upon recommendation of the Nomination & Remuneration Committee and Audit Committee, a scheme of interest-free advance upto a maximum amount of Rs. 150 Million (Rupees One Hundred Fifty Million Only) to Mr. Krishnakumar Srinivasan, MD & CEO (repayable in five equal yearly instalments) for purchase/construction of a residential accommodation in the National Capital Region ("Scheme").

The proposed Scheme of interest-free advance will not affect any financial stability of the Company. This shall also act as a catalyst for enhancing Mr. Krishnakumar Srinivasan's motivation to drive future performance aligned with organizational goals, help foster a culture of high performance in the Company, and also act as a good retention scheme for the Company. This advance of up to Rs. 150 Million represent 0.51% of revenue from operations for FY 2023-24 and will be funded from internal accruals of the Company.

Pursuant to Sections 185, 196, 197, 198, 203 and all other applicable provisions of the Act read with relevant rules framed thereunder [including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force] and SEBI Listing Regulations, 2015 the re-appointment, remuneration payable and interest-free advance to Mr. Krishnakumar Srinivasan is now being placed before the Members at the Annual General Meeting for their approval by way of Special Resolution. The detailed terms and conditions including that of the Scheme and his re-appointment are as follows:

I	Period of appointment	Effective from 11.2.2025 till 10.2.2030
II	**Remuneration**	
A.1	Salary	Rs. 7,00,000/- per month in the Pay Scale of Rs. 7,00,000/- to Rs. 10,00,000/- per month Revision in salary within the pay scale be decided by the Nomination and Remuneration Committee
2	Personal Pay	Rs. 2,50,000/- per month
3	Commission	1% of the annual profits of the Company before depreciation, donation, and taxes. The Company shall pay a Special Allowance of Rs. 12,50,000/- (Rs. Twelve Lac Fifty Thousand Only) per month, and the payment shall be set off as a prior charge from profit commission on the profits of the Company payable at the end of the year, after approval of Accounts.
4	Housing Accommodation/ House Rent Allowance	60% of Salary In case no accommodation is provided by the Company, a house rent allowance of 60% of the salary would be payable.
5	Gas, Electricity & Water	Up to Rs. 15,000/- per month.
6	House Furnishings	Up to Rs. 7 Lac as per Company Rules
7	Medical Reimbursement	Up to Rs. 1,80,000/- per annum for self and family and Mediclaim Insurance for self & family as per Company Rules. In addition, premiums towards Mediclaim insurance for self and family (spouse, dependent parents) will be provided by the Company.
8	Leave Travel Concession	Once a year for self and family incurred in accordance with the rules of the Company.
9	Club Membership Fees	Maximum of 2 clubs (excluding Admission and Life membership fees)
10	Personal Accident Insurance	Cover of Rs. 10 Lac and payment of premium for the same not exceeding Rs. 4,000/- per annum.
B.1	Employer's Contribution to PF & Superannuation Fund	Provident Fund @ 12% of the salary. PF & Superannuation or annuity fund shall not exceed 27% of the salary.

2	Gratuity	Not exceeding half month's salary for each completed year of service.
3	Leave	Earned/ privilege leave on full pay and allowances as per Company's Rules, but not more than 1 month's leave for every 11 months of service. Leave Encashment at the end of the tenure will not be treated as a perquisite.
C.1	Company Car with Driver	For official use; private usage will be billed by the Company.
2	Telephone	Two telephones at the residence. A mobile phone for official use.
III	*Ex-gratia:* Such *Ex-gratia* amount per annum, to be paid over a period of 5 years, equal to recovery of yearly instalment of advance upto Rs. 150 Million sanctioned for purchase/construction of residential accommodation in NCR on the basis of the Agreement of Advance and such other documents to be entered into after obtaining necessary approvals, subject to purchase/construction of residential accommodation in NCR Region.	
IV	Commission will be restricted to an amount which together with salary and all perquisites listed above shall not exceed 5% of net profits computed under Section 198 of the Companies Act, 2013. It will further be restricted to 10% of net profits for all Whole time Directors of the Company put together.	
V	In compliance with Section 185 and all other applicable provisions of the Companies Act, 2013 and Rules made there under as may be amended from time to time, a scheme of interest-free advance to Mr. Krishnakumar Srinivasan, MD & CEO as per the below mentioned details: i) Purpose: Purchase/construction of residential accommodation in NCR ii) Amount of Advance: upto a maximum of Rs. 150 million (Rupees One Hundred Fifty million only) iii) Rate of Interest: Nil iv) Payment of Advance: Immediately after shareholders' approval. v) Recovery: Advance will be repaid over a period of 5 years in equal yearly instalments, the first instalment would be paid on completion of one-year term of re-appointment i.e. within February 2026. Accordingly, there will be a moratorium for a period from the date of purchase/construction of residential accommodation in NCR till February 2026	

Other terms:

1. He will devote whole time and attention to the affairs of the Company and perform such duties and services and exercise such powers as shall, from time to time, be entrusted to him by the Board.
2. He will undertake travel for the Company's official work, in India/abroad as per Company's Rules, as applicable from time to time. In some cases, his wife may accompany him as per the Company's Rules as applicable from time to time. This would not be treated as an item of remuneration.
3. No sitting fees shall be payable for attending meetings of the Board of Directors or any Committee thereof.
4. The Company shall reimburse all entertainment expenses actually and properly incurred for the business of the Company, subject to a ceiling on such expenses as may be fixed by the Board from time to time. This would not be treated as an item of remuneration for the purpose of the Income Tax/ Companies Act, 2013.
5. He will not, so long as he functions as such, become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company in the future without prior approval as per the Companies Act, 2013.
6. This appointment may, notwithstanding the period of 5 (five) years mentioned above, be terminated by either party giving the other six months' notice in writing.
7. In the event of termination of the appointment, he will be entitled to receive compensation in accordance with the provisions of the Companies Act, 2013.

The Company has received all statutory disclosures/declarations, including;

i. Consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Appointment Rules,

ii. Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act;

iii. Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/CML/2018/24 dated June 20, 2018, that he has not been debarred from holding the office of a Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority.

A brief resume of Mr. Krishnakumar Srinivasan and details as required under Regulation 36(3) of the SEBI Listing Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) of ICSI are annexed as Annexure -1.

The terms and conditions of appointment of Mr. Krishnakumar Srinivasan as MD & CEO and the draft Scheme of advance would be available for inspection by the Members of the Company on sending a request along with their DP/Client ID or Folio No. from their registered e-mail address to the Company at compliance.officer@shrirampistons.com. Alternatively, the documents will also be made available at the Registered Office of the Company during office hours on all working days from the date of dispatch until the date of the Annual General Meeting of the Company.

The Board recommends the Special Resolution set out at Item No. 10 of the Notice for approval of the Members.

Except Mr. Krishnakumar Srinivasan and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives, are in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 10 of the Notice.

ITEM NO. 11

The Shareholders, in their meeting held on 6.7.2021, had approved payment of Profit Commission of a sum not exceeding 1% of annual profits of the Company before depreciation, donation and taxes to some or any of the Non-Executive Directors of the Company, for whole or proportionately for a part of each of its financial years from 1.4.2021 to 31.3.2025 to be distributed in the manner as approved by the Members in their meeting held on 11.8.2020.

In addition, Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, requires every listed Company to seek approval from Shareholders every year, if the remuneration payable to a single Non-Executive Director exceeds fifty percent (50%) of total annual remuneration payable to all Non-Executive Directors.

The Board recommends to the Members that set out of the above 1% profit Commission, 0.60% of the profit commission be paid to the Chairman for the Financial Year 2024-25.

Chairman and his relatives are concerned or interested in the Resolution at Item No. 11 of the Notice. None of the other Directors or their relatives or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution at Item No. 11 of the Notice.

The Board recommends the Special Resolution set out forth at Item No. 11 of the Notice for approval of the Members.

Annexure-1

Details of Directors seeking Appointment /Re-appointment in pursuance of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Secretarial Standard on General Meetings (SS-2)

Name of Director	Ms. Meenakshi Dass	Mr. Pradeep Dinodia	Mr. Shinichi Unno
Director Identification Number (DIN)	00524865	00027995	09189521
Date of Birth / Age	4.4.1964 / 60 Years	2.12.1953 / 70 Years	24.8.1966 / 57 Years
Date of appointment in the Board of the Company	28.3.2009	16.5.2003	31.5.2021
Number of Board Meetings attended during last year	6	7	3
Brief Resume (Qualification/ Experience)	Ms. Dass has been on the Board of the Company since March 2009 and belongs to the Promoter Category. She obtained a Degree in Textile Designing. She has vast experience in managing Company's affairs.	Mr. Dinodia has been on the Board of the Company since May 2003. He graduated in Economics with Honours from St. Stephen's College, Delhi University and obtained a Law Degree from the same University. He is a Fellow Member of The Institute of Chartered Accountants of India and Chairman and Managing Partner in the Delhi-based Chartered Accountancy firm M/s. S.R. Dinodia & Co. LLP. He is the Non-Executive Director in Hero MotoCorp Limited and Non-Executive Independent Director in Hero FinCorp Limited and DCM Shriram Limited. He has co-authored a book, 'Transfer Pricing Demystified'.	Mr. Unno has been on the Board of the Company since May 2021. He graduated in BA in Metallurgical Engineering from Tokai University, Japan. He is Executive Officer & Plant Manager, Fuji Oozx Shizuoka, Japan. He has long & varied experience and considerable exposure to international operations.
Nature of expertise in specific functional areas	Knowledge of law, management, sales, marketing, finance, administration and corporate governance.	Technical knowledge of the Industry in which the Company operates and has knowledge of finance, law, management, sales, marketing, administration, research & corporate governance.	Technical knowledge of the Industry in which the Company operates and knowledge of law, management, sales, marketing, finance, administration, research, and corporate governance.
Details of remuneration sought	Sitting fee and Commission based on Profits	Sitting fee and Commission based on Profits	Sitting fee and Commission based on Profits
Remuneration last drawn	Sitting fee: Rs. 1.00 Million Commission: Rs. 4.00 Million	Sitting fee: Rs. 1.90 Million Commission : Rs. 41.32 Million	Sitting fee: Rs. 0.30 Million Commission: Rs. 1.01 Million
Name of listed entities from which the person has resigned in the past three years	NIL	NIL	NIL

Name of Director	Ms. Meenakshi Dass	Mr. Pradeep Dinodia	Mr. Shinichi Unno
Directorships held in other companies	i) PeareyLall & Sons (E.P.) Private limited ii) PLS Construction Equipment Limited iii) Wylie Indicators Limited iv) SPR Engenious Limited v) Sera Com Private Limited vi) Manisha Commercial Private Limited vii) Sarva Commercial Private Limited viii) Shabnam Commercial Private Limited ix) Heritage Desk Solutions Private Limited	i) Hero MotoCorp Limited ii) DCM Shriram Limited iii) Hero FinCorp Limited	NIL
Chairman/ Member of the Committee(s) of the Board of Directors of the Company	**Member:** i) CSR Committee ii) Risk Management Committee	**Chairman:** i) CSR Committee ii) Risk Management Committee **Member:** iii) Audit Committee iv) Nomination and Remuneration Committee v) Stakeholders' Relationship Committee	NIL
Chairman/ Member of the Committee(s) of the Board of Directors of other Companies in which he/ she is a Director	NIL	**1. Hero MotoCorp Limited** i) Stakeholders' Relationship Committee – Chairman ii) Risk Management Committee – Chairman iii) Audit Committee – Member iv) Nomination and Remuneration Committee – Member v) Sustainability and Corporate Social Responsibility Committee– Member vi) Committee of Directors – Member	NIL

Name of Director	Ms. Meenakshi Dass	Mr. Pradeep Dinodia	Mr. Shinichi Unno
		2. DCM Shriram Limited i) Stakeholders' Relationship Committee – Chairman ii) Audit Committee – Chairman iii) Nomination and Remuneration Committee – Chairman **3. Hero FinCorp Limited** i) Stakeholders' Relationship Committee – Chairman ii) Audit Committee – Chairman iii) Nomination and Remuneration Committee – Chairman iv) Risk Management Committee – Chairman v) CSR Committee – Member vi) IT Strategic Committee – Member	NIL
No. of Shares held by the Director of the Company	66,67,862 Equity Shares [shares held in the capacity of Trustee (First named shareholder) of Deepak Shriram Family Benefit Trust] 66,67,862 Equity Shares [shares held in the capacity of Trustee (Second named shareholder) of Deepak Shriram Family Benefit Trust] 16,69,440 Equity Shares held under her name	NIL	NIL
Disclosure of Relationship between Directors / KMPs inter-se	Ms. Meenakshi Dass is sister of Mr. Luv Deepak Shriram, hence are related to each other and belongs to promoter category of the Company.	He has no relationship with members of the Board of Directors.	He has no relationship with any member of the Board of Directors and meets all the criteria for being appointed as an independent director under applicable laws including circulars issued by the stock exchanges from time to time.
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Knowledge of law, management, sales, marketing, finance, administration, research, and corporate governance.	Technical knowledge of the Industry in which the Company operates and has knowledge of finance, management, sales, marketing, administration, research, corporate governance, Strategic planning and Business Model Innovation.	Technical knowledge of the Industry in which the Company operates and knowledge of law, management, sales, marketing, finance, administration, research and corporate governance.

Name of Director	Mr. Hari Shanker Bhartia	Ms. Tina Trikha	Mr. Yasunori Maekawa
Director Identification Number (DIN)	00010499	02778940	06952173
Date of Birth / Age	12.12.1956 / 67 Years	09.07.1975 / 48 Years	27.02.1958 / 66 Years
Date of appointment in the Board of the Company	31.03.2020	13.05.2024	06.04.2022
Number of Board Meetings attended during last year	3	NA	2
Brief Resume (Qualification/ Experience)	He holds a Bachelor's degree in Chemical Engineering from the Indian Institute of Technology (IIT), Delhi; He is the Co-Chairman & Director of Jubilant Pharmova Limited & Jubilant FoodWorks Limited, Co-Chairman and Whole-Time director of Jubilant Ingrevia Limited. He is the former President of the CII. He is also a member of India-USA CEO forum and India–France CEO forum.	She has done Bachelors in Economics from the Massachusetts Institute of Technology and Masters in Business Administration from The Wharton School, University of Pennsylvania. She has considerable experience serving as an Independent Director on the Board of large and high-growth listed companies such as Hero MotoCorp, Oberoi Realty, MapmyIndia, etc.	He holds a bachelor's degree in Science and Engineering from WASEDA University, Japan. He has considerable exposure to international operations and has a proven record in general management.
Nature of expertise in specific functional areas	With over four decades of experience, Mr. Bhartia is a thought leader in his chosen areas of diverse businesses which include Pharmaceuticals, Contract Research and Development Services, Proprietary Novel Drugs, Life Science Ingredients, Agri Products, Performance Polymers, Food Service (QSR), Food, Auto, Consulting in Aerospace and Oilfield Services	She has long and varied experience in strategy development (Growth and Innovation), financial analysis, governance, identifying operational efficiencies across businesses, transformation management, leadership, and Executive Coaching across industries & geographies.	Technical knowledge of the Industry in which the Company operates and knowledge of finance, law, management, sales, marketing, administration, research and corporate governance
Details of remuneration sought	Sitting fee and Commission based on Profits	Sitting fee and Commission based on Profits	Sitting fee and Commission based on Profits
Remuneration last drawn	Sitting fee: Rs. 0.30 Million Commission : Rs. 1.01 Million	NA	Sitting fee: Rs. 0.20 Million Commission : Rs. 1.01 Million
Name of listed entities from which the person has resigned in the past three years	NIL	NIL	NIL

Name of Director	Mr. Hari Shanker Bhartia	Ms. Tina Trikha	Mr. Yasunori Maekawa
Directorships held in other companies	1. Jubilant Ingrevia Limited 2. Jubilant Pharmova Limited 3. Global Health Limited 4. KHB Trustee Company Private Limited 5. Jubilant Foodworks Limited 6. Jubilant Bhartia Foundation 7. HS Trustee Company Private Limited 8. HKB Trustee Company Private Limited 9. HSB Trustee Company Private Limited 10. Jubilant Enpro Services Private Limited 11. Jubilant Enpro Private Limited 12. Jubilant Securities Private Limited 13. CSEP Research Foundation 14. Jaytee Pvt. Ltd. 15. Jubilant Stock Holding Private Limited	1. Hero MotoCorp Limited 2. Oberoi Realty Limited 3. C.E. Info Systems Limited	NIL
Chairman/ Member of the Committee(s) of the Board of Directors of the Company	NIL	NIL	NIL
Chairman/ Member of the Committee(s) of the Board of Directors of other Companies in which he/ she is a Director	**1. Jubilant FoodWorks Limited** i) Nomination, Remuneration and Compensation Committee – Member ii) Sustainability & Corporate Social Responsibility Committee – Member iii) Investment Committee – Member iv) Regulatory and Finance Committee – Member	**1. Hero MotoCorp Limited** i) Audit Committee – Chairperson ii) Corporate Social Responsibility Committee – Member **2. Oberoi Realty Limited** i) Audit Committee – Member ii) Nomination & Remuneration Committee – Member iii) Risk Management Committee- Member	NIL

Name of Director	Mr. Hari Shanker Bhartia	Ms. Tina Trikha	Mr. Yasunori Maekawa
	2. Jubilant Pharmova Limited i) Reorganisation Committee – Member ii) Finance Committee -Member iii) Capital Issue Committee -Member iv) Fund Raising Committee – Member **3. Jubilant Ingrevia Limited** i) Finance Committee - Member **4. Global Health Limited** i) Stakeholder Relationship Committee – Member	**3. C.E. Info Systems Limited** i) Nomination & Remuneration Committee – Member ii) Corporate Social Responsibility Committee – Member	
No. of Shares held by the Director of the Company	NIL	NIL	NIL
Disclosure of Relationship between Directors / KMPs inter-se	He has no relationship with any member of the Board of Directors and meets all the criteria for being appointed as an independent director under applicable laws including circulars issued by the stock exchanges from time to time.	She has no relationship with any member of the Board of Directors and meets all the criteria for being appointed as an independent director under applicable laws including circulars issued by the stock exchanges from time to time.	Not related to any director/KMPs
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Knowledge of law, management, sales, marketing, finance, technical knlowledge, administration, research, and corporate governance.	Knowledge of Human resources / people management, Accounting & financial expertise, Global Perspective	Technical knowledge of the Industry in which the Company operates and knowledge of finance, law, management, sales, marketing, administration, research and corporate governance

Name of Director	Mr. Krishnakumar Srinivasan
Director Identification Number (DIN)	00692717
Date of Birth / Age	14.03.1966 / 58 years
Date of appointment in the Board of the Company	11.02.2020
Number of Board Meetings attended during last year	7
Brief Resume (Qualification/Experience)	Mr. Krishnakumar Srinivasan is an accomplished leader with over 37 years of experience primarily in the automotive industry. He graduated with a Bachelor's degree in Mechanical Engineering, Master's in Business Administration and PG Diploma in Export Management. He has long and varied experience of managing leadership roles with companies both in India and abroad. He is known for his visionary leadership style, combining a strategic mindset with hands on approach.
Nature of expertise in specific functional areas	Technical knowledge of the Industry in which the Company operates and knowledge of finance, law, management, sales, marketing, administration, research, corporate governance, global business & technology.
Details of remuneration sought	Refer to Resolution No. 10 read with the Explanatory Statement.
Remuneration last drawn	Rs. 88.63 Million
Name of listed entities from which the person has resigned in the past three years	None
Directorships held in other companies	i) SPR Engenious Limited ii) SPR Takahata Precision India Private Limited iii) SPR EMF Innovations Private Limited
Chairman/ Member of the Committee(s) of the Board of Directors of the Company	Committee Positions: **Member:** i) Stakeholders' Relationship ii) Risk Management Committee iii) Corporate Social Responsibility Committee

Chairman/ Member of the Committee(s) of the Board of Directors of other Companies in which he/ she is a Director	1. SPR EMF Innovations Private Limited i) Audit Committee – Member ii) Nomination & Remuneration Committee – Member 2. SPR Takahata Precision India Private Limited: i) Audit Committee – Member ii) Nomination & Remuneration Committee – Member
No. of Shares held by the Director of the Company	NIL
Disclosure of Relationship between Directors / KMPs inter-se	Mr. Krishnakumar Srinivasan has no relationship with members of the Board of directors.
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Technical knowledge of the Industry in which the Company operates and knowledge of finance, law, management, sales, marketing, administration, research, corporate governance, global business & technology.

By Order of the Board of Directors
For Shriram Pistons & Rings Limited

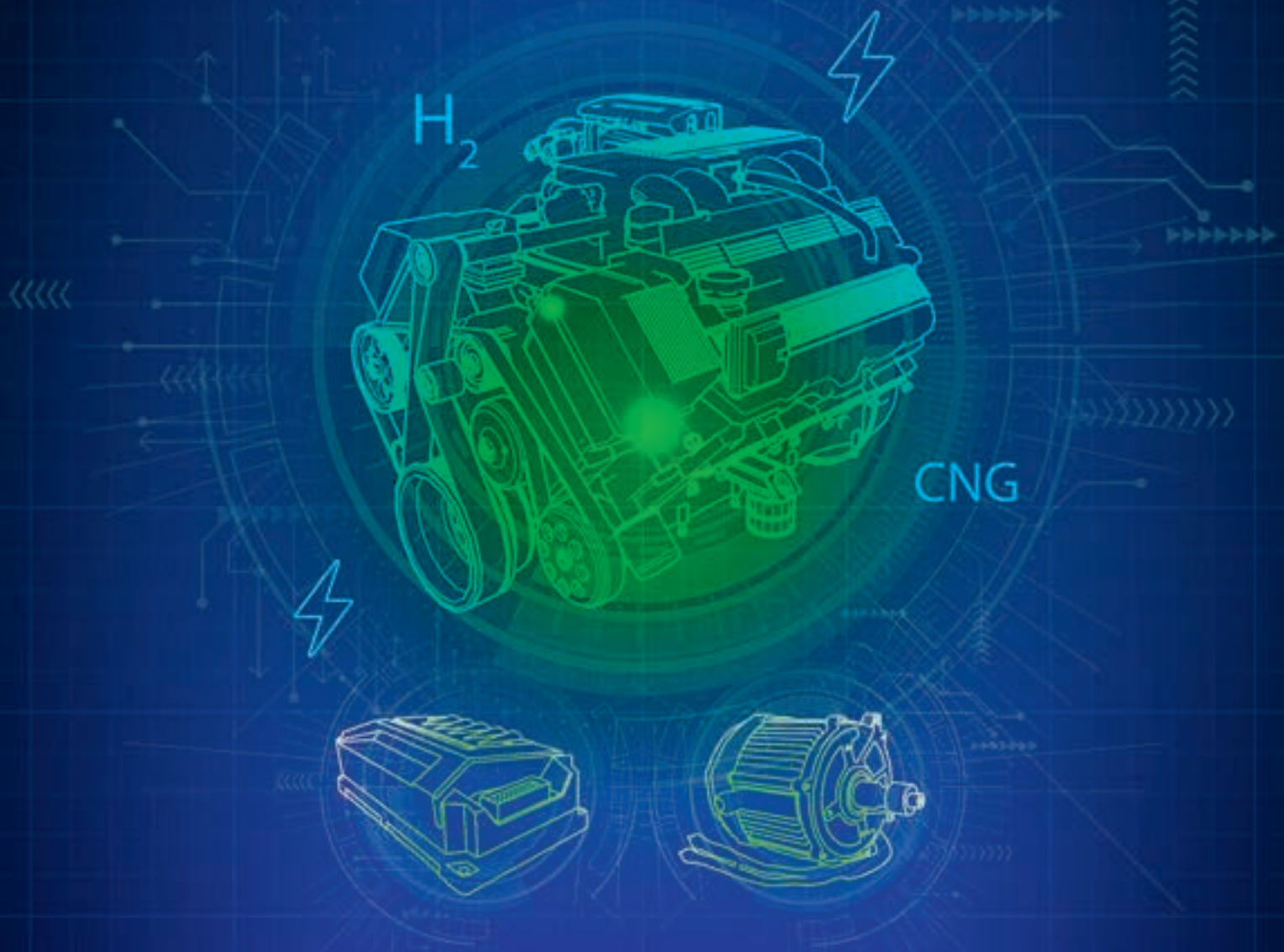
Pankaj Gupta
Company Secretary
Membership No. FCS 4647
3rd Floor, Himalaya House, 23, K.G. Marg,
New Delhi -110 001

New Delhi
May 13, 2024

SHRIRAM®

SHRIRAM PISTONS & RINGS LTD.

60TH ANNUAL REPORT
2023-24



INNOVATIONS FOR A SUSTAINABLE FUTURE



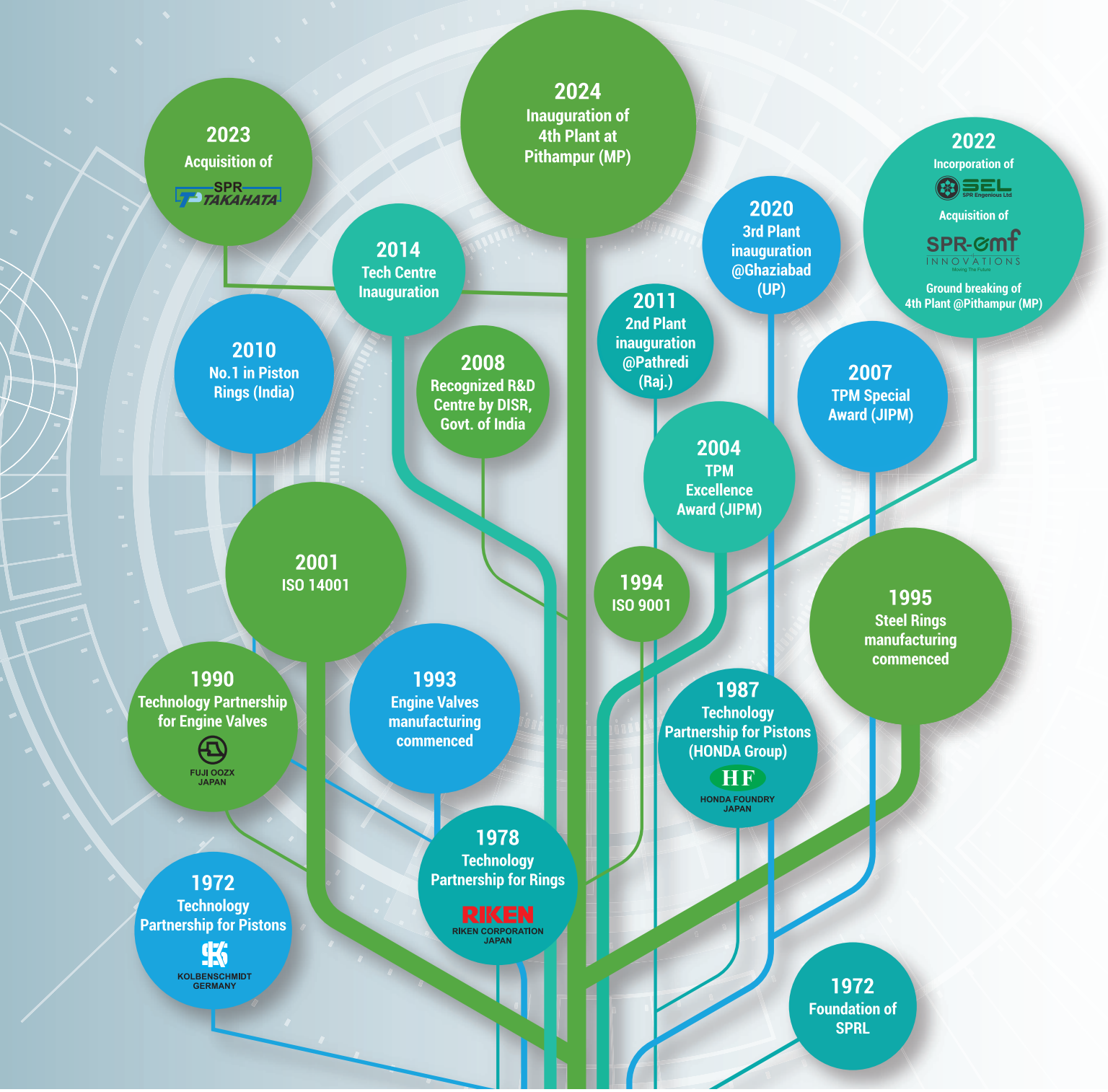
About SPRL

India's Largest Manufacturer of Pistons, Rings & EV

Strong global presence

Automotive, Off-highway Vehicles, Farm Equipments, Genset Engines & Compressors

Strong Technological capabilities



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Vision & Mission



World Class Company, the preferred choice of Global Automotive Customers



Committed to all stakeholders



Environmentally sustainable

Culture at SPRL - 6P Principles



SHRIRAM®

SHRIRAM PISTONS & RINGS LTD.

Cheers to 50 Years of Excellence!



Shriram Pistons & Rings Ltd. marked a momentous milestone by celebrating it's Golden Jubilee Celebration at ITC Grand Bharat, Gurugram on September 22nd & 23rd, 2023 with all it's valued partners in attendance


Ashok Leyland Ltd.



Escorts Kubota India Pvt. Ltd.


Hero MotoCorp Ltd.


Hyundai Motors India Ltd.


International Tractors Ltd.


Simpson & Co. Ltd.


Tata Motors Ltd.

TECHNOLOGY PARTNERS


Kolbenschmidt GMBH, Germany



Bajaj Auto Ltd.



Cummins India Ltd.



Daimler India Commercial Vehicles Pvt. Ltd.



Honda Cars India Ltd.



Honda India Power Products Ltd.



Honda Motorcycle & Scooter India Pvt. Ltd.



Kirloskar Oil Engines Ltd.



Mahindra & Mahindra Ltd.



Maruti Suzuki India Ltd.



TVS Motor Company Ltd.



VE Commercial Vehicles Ltd.



Yanmar Engine Manufacturing India Pvt. Ltd.



Honda Foundry, Japan



Riken Corporation, Japan

OOZX

Fuji Oozx, Japan

CORPORATE OVERVIEW

Board of Directors

Mr. Pradeep Dinodia	- Chairman
Mr. Hari Shanker Bhartia	- Independent Director
Ms. Ferida Chopra	- Independent Director
Mr. Inderdeep Singh	- Independent Director
Ms. Tina Trikha	- Independent Director
Mr. Shinichi Unno	- Independent Director
Ms. Meenakshi Dass	- Director
Mr. Klaus Semke	- Director
Mr. Yasunori Maekawa	- Director
Mr. Luv Deepak Shriram	- Wholetime Director
Mr. Krishnakumar Srinivasan	- Managing Director & CEO
Mr. Masaaki Yamaguchi	- Director (Ceased w.e.f. 31.3.2024)
Mr. Alexandru Vladoi	- Alternate Director to Mr. Klaus Semke

Principal Executives

Mr. Luv Deepak Shriram	- Whole-time Director
Mr. Krishnakumar Srinivasan	- Managing Director & CEO
Mr. Devendra Mishra	- Executive Director
Mr. Sandeep Kalia	- Executive Director
Mr. Rajnish Julka	- Executive Director
Mr. Sandeep Agrawal	- Executive Director & Chief Marketing Officer
Mr. Rajan Nanda	- Executive Director
Ms. Poonam Bharti	- Executive Director & Chief HR Officer
Mr. Prem Prakash Rathi	- Executive Director & CFO
Mr. Arun Kumar Shukla	- Executive Director
Mr. Atul K. Khanapurkar	- Executive Director
Mr. Dharmendra Singh	- Dy. Executive Director
Mr. Ashok Sinha	- Dy. Executive Director
Mr. Prashant Khairnar	- Dy. Executive Director & Chief Digital Officer
Mr. Pankaj Gupta	- Dy. Executive Director (Head Legal & Company Secretary)
Mr. Pankaj Kumar Jain	- Chief - Quality Control

Technical Collaborators

KS Kolbenschmidt GmbH, Germany

Riken Corporation, Japan

Honda Foundry Co. Ltd., Japan

Fuji Oozx Inc., Japan

Bankers

HDFC Bank Ltd., IDBI Bank Ltd., Citibank N.A.

State Bank of India, ICICI Bank Ltd., Axis Bank Ltd.

The Hongkong and Shanghai Banking Corporation Limited

DBS Bank India Ltd., Canara Bank

UCO Bank, Union Bank of India,

Statutory Auditors

Walker Chandiok & Co LLP,
Chartered Accountants

Registered Office

3rd Floor, Himalaya House,
23, Kasturba Gandhi Marg,
New Delhi-110 001

Works

Industrial Area, Meerut Road, Ghaziabad (U.P.)
Industrial Area, Pathredi, District Alwar (Rajasthan)
Industrial Area, Bulandshahr Road, Ghaziabad (U.P.)

Subsidiaries

SPR Engenious Limited
3rd Floor, Himalaya House,
23, Kasturba Gandhi Marg,
New Delhi-110001

Works

Plot Nos. 26-29, Smart Industrial Park,
Pithampur, Dist. Dhar,
Madhya Pradesh

SPR EMF Innovations Private Limited
Registered Office & Works:
2/209 to 2/212 Shasti Building,
Rajiv Gandhi Nagar Mylampatti Village,
Neelambur, Coimbatore-641062

SPR Takahata Precision Indian Private Limited
Registered Office & Works:
SP2-41 RIICO New Industrial Complex,
Phase -III, Neemrana, Alwar
Rajasthan-301705

Directors' Profile



Mr. Pradeep Dinodia

Chairman (Non-Executive Non Independent Director)

Mr. Dinodia has been on the Board of the Company since May 2003. He graduated in Economics with Honours from St. Stephens College, Delhi University and also obtained his Law Degree from Delhi University. He is a Fellow Member of Institute of Chartered Accountants of India and Chairman and Managing Partner of the Delhi-based Chartered Accountancy firm M/s. S.R. Dinodia & Co. LLP. He is Non-Executive Independent Director of Hero FinCorp Ltd. and DCM Shriram Ltd. He is a Non-Executive and Non-Independent Director of Hero MotoCorp Ltd. He has co-authored a book "Transfer Pricing Demystified".



Mr. Luv Deepak Shriram

Whole-Time Director

Mr. Shriram has been on the Board of the Company since April, 2009 and belongs to the promoter category. He obtained a bachelor's degree in commerce from Shriram College of Commerce, University of Delhi. He is an Industrialist with extensive expertise in management and finance.



Ms. Meenakshi Dass

Non-Executive Director

Ms. Dass has been on the Board of the Company since March 2009 and belongs to the Promoter Category. She obtained a Degree in Textile Designing. She has vast experience in managing Company's affairs.



Mr. Hari Shanker Bhartia

Independent Director

Mr. Bhartia, is the Founder and Co-Chairman of Jubilant Bhartia Group. He has been on the Board of the Company since January 2009. He is a Chemical Engineering Graduate from the Indian Institute of Technology (IIT), Delhi. With over four decades of experience, Mr. Bhartia is a thought leader in his chosen areas of diverse businesses which include Pharmaceuticals, Contract Research and Development Services, Proprietary Novel Drugs, Life Science Ingredients, Agri Products, Performance Polymers, Food Service (QSR), Food, Auto, Consulting in Aerospace and Oilfield Services. At present, he is the Co-Chairman & Director of Jubilant Pharmova Limited & Jubilant FoodWorks Limited, Co-Chairman and Whole-Time Director of Jubilant Ingrevia Limited. He is currently Chairman of Board of Governors, Indian Institute of Management, Visakhapatnam and Chairman of CII-Jubilant Food & Agriculture Centre of Excellence. He was Former President of the Confederation of Indian Industry (CII). He is also a member of India-USA CEO forum and India–France CEO forum.

Directors' Profile



Ms. Ferida Avnish Chopra

Independent Director

Ms. Chopra has been on the Board of the Company since March 2019. She graduated in Law from University of Delhi and also obtained Bachelor's Degree in Arts from Delhi University. She is practicing as an Independent Legal Counsel in Supreme Court of India, High Court of Delhi, Competition Commission of India and various other Tribunals.



Mr. Krishnakumar Srinivasan

Managing Director & CEO

Mr. Krishnakumar Srinivasan is an accomplished leader with over 37 years of experience primarily in the automotive industry. He graduated with a Bachelor's degree in Mechanical Engineering, Master's in Business Administration and PG Diploma in Export Management. He has long and varied experience of managing leadership roles with companies both in India and abroad. He is known for his visionary leadership style, combining a strategic mindset with hands on approach.



Mr. Inderdeep Singh

Independent Director

Mr. Singh has been on the Board of the Company since March 2008. He graduated in B.Sc. from St. Stephens College, University of Delhi and completed M.S. (Elec. Engg.) & MBA from Washington University, USA. He is the Managing Director of Continental Device India Pvt. Ltd. He has received an award for "Electronics Man of the Year" in 2011 by Electronics For You.



Mr. Klaus Semke

Non-Executive Director

Mr. Semke has been on the Board of the Company since May 2023. He has obtained Metal Aircraft Builder Training and Graduated with Mechanical Engineering Studies at the Hamburg University of Applied Sciences in Hamburg, Germany. He is the President at KS Kolbenschmidt GmbH. Mr. Semke has a long & varied experience and considerable exposure to international operations.

Directors' Profile



Mr. Yasunori Maekawa

Non-Executive Director

Mr. Maekawa has been on the Board of the Company since April 2022 as alternate director. Mr. Maekawa is the Representative Director, President, CEO and COO of Riken Corporation, Japan. Mr. Maekawa has long & varied experience and considerable exposure to international operations.



Mr. Shinichi Unno

Independent Director

Mr. Unno has been on the Board of the Company since May 2021. He graduated in BA in Metallurgical Engineering from Tokai University, Japan. He is Executive Officer & Plant Manager, Fuji OozxShizuoka, Japan. Mr.Unno has long & varied experience and considerable exposure to international operations.



Ms. Tina Trikha

Independent Director

Ms. Trikha holds a bachelor's degree in economics from Massachusetts Institute of Technology and a Master's degree in Business Management from the Wharton School of Business. She has over two decades of experience working with companies in the United States, India, and South-East Asia. A published author and an executive coach, she has long and varied experience in strategy development (Growth and Innovation), financial analysis, governance, transformation management, leadership, and Executive Coaching across industries & geographies. She has considerable experience serving as an Independent Director on the Board of large and high-growth listed companies such as Hero MotoCorp, Oberoi Realty, MapmyIndia, etc.



Mr. Alexandru Vladoi

Alternate Director to Mr. Kalus Semke

Mr. Vladoi has been on the Board of the Company since November 2023 as alternate director to Mr. Klaus Semke. He has obtained Bachelors' Degree in Finance & Economics, Mathematics and Masters' Degree in International Management. He is the CFO of Small Bore Pistons Business Unit at Rheinmetall (KS Group). Mr. Vladoi has a long & varied experience and considerable exposure to international operations and general management.

Dynamic Management Team

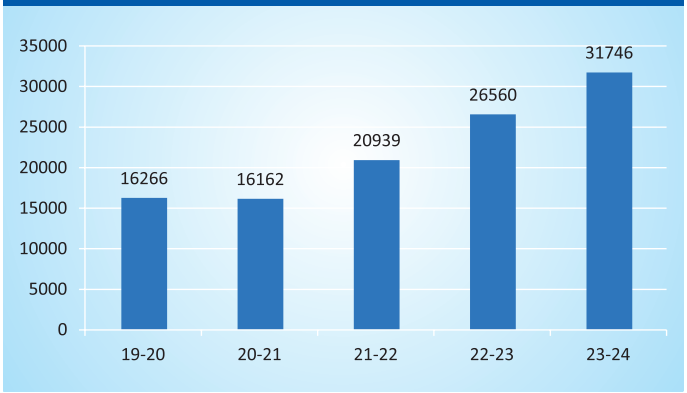


Sitting *L-R:* Sandeep Agrawal, Devendra Mishra, Krishnakumar Srinivasan, Sandeep Kalia, Poonam Bharti, Prem Prakash Rathi

Standing *L-R:* Rajan Nanda, Pankaj Gupta, Rajnish Julka, Prashant Khairnar, Pankaj Kumar Jain, Ashok Sinha, Krishna M, Arun Kumar Shukla, Dharmendra Singh, Atul K. Khanapurkar

FINANCIAL HIGHLIGHTS

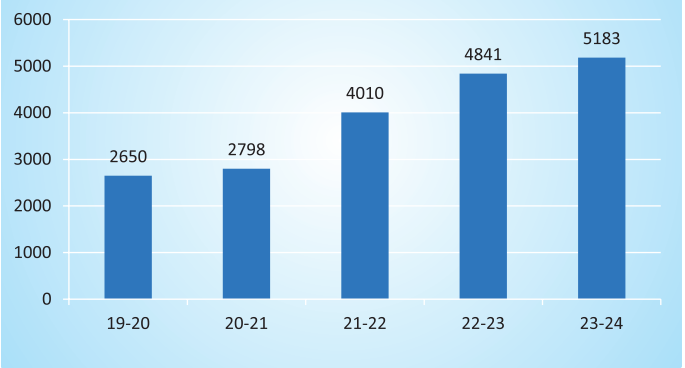
TOTAL INCOME (Mn/Rs.)



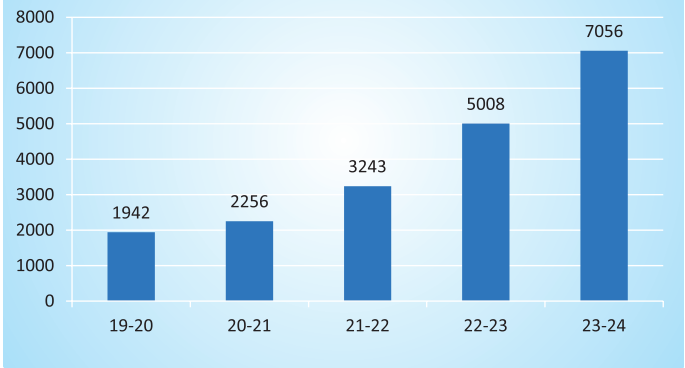
NET WORTH (Mn/Rs.)



EXPORTS (Mn/Rs.)



PBDT AFTER OCI (Mn/Rs.)



SIGNIFICANT RATIOS

Ratio	Unit	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2020
Current ratio	Times	2.43	2.51	2.31	2.10	1.95
Debt-Equity ratio	Times	0.23	0.19	0.11	0.11	0.08
Return on equity ratio	%	24.42	20.79	13.61	8.00	6.97
EBITDA ratio	%	23.90	19.77	16.49	14.96	12.79
Profit before tax (PBT) ratio	%	19.36	15.33	10.88	7.63	5.48
Profit after tax (net profit) ratio	%	14.42	11.46	8.08	5.65	4.63
Earning per Share (EPS)*	Rs. per share	100.47	66.71	37.13	19.84	16.32

Notes:

1. The data is based on consolidated financials.
2. *The Board pursuant to shareholder's approval in the annual general meeting held on 06 July 2023, allotted 2,20,24,912 equity shares as bonus share in the ratio of 1:1. Accordingly, EPS of earlier years has been restated.

WORKING RESULTS AT A GLANCE

PARTICULARS		UNIT	YEAR ENDING MARCH									
			2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Paid-up Equity Share Capital		Mn/Rs.	**440**	220	220	224	224	224	224	224	224	224
Reserves & Surplus		Mn/Rs.	**19765**	15504	12330	11258	10481	10041	8909	7720	6730	5925
Net Worth		Mn/Rs.	**20206**	15724	12550	11481	10705	10265	9133	7944	6954	6149
Gross Fixed Assets		Mn/Rs.	**24265**	21449	19878	19139	18673	16907	15355	14803	14159	13699
Total Income - Value	**- Total**	Mn/Rs.	**31746**	26560	20939	16162	16266	19785	17544	14886	14054	12567
	- Export	Mn/Rs.	**5183**	4841	4010	2798	2650	3257	2994	2823	2737	2301
Profit before depreciation and taxes (PBDT) before OCI		Mn/Rs.	**6968**	4877	3223	2225	1895	3036	3012	2608	2239	1753
Profit before depreciation and taxes (PBDT) after OCI		Mn/Rs.	**7056**	5008	3243	2256	1942	3063	3036	2523	2233	1753
Profit before taxes (PBT) before OCI		Mn/Rs.	**5891**	3930	2202	1200	864	2092	2108	1709	1311	793
Profit after tax (PAT) before OCI		Mn/Rs.	**4387**	2939	1636	888	730	1384	1389	1181	916	573
Equity Dividend	- Amount	Mn/Rs.	**440**	330	220	134	162	270	270	189	108	94
	- Rate	%	**100.0**	150.0	100.0	60.0	60.0	100.0	100.0	70.0	40.0	35.0

Notes:

1. The above data is based on consolidated financials.
2. Gross Fixed Assets are stated at historical cost and include prepayment land leases.
3. Equity dividend represents dividend declared / proposed for the respective financial year and includes dividend distribution tax , as applicable.
4. Reserves & Surplus includes Revaluation Reserve of Rs. 97.25 Million as on 31.3.2024.

BOARDS' REPORT

To the Members,

The Board of Directors ("Board") are pleased to present the 60th Annual Report on the business and operations of Shriram Pistons & Rings Limited ("the Company") along with the Audited Financial Statements (Standalone and Consolidated), for the financial year ended March 31, 2024.

The financial year 2023-24 was one of our best years. The Company continued to focus on growing its business in multiple areas and improving supplies to different segments of the Market, thereby de-risking its business model. The Company remains committed to invest in strategic areas of new technologies which will help the Company to enhance its product portfolio and take advantage of the opportunities available in the market.

In the financial year 2023-24, the Company outgrew the domestic automotive market, which grew by around 7%. In contrast, the Company achieved a growth rate of 14.5%.

This was possible due to a rigorous focus on improving manufacturing capacity, exceeding existing customers' expectations leading to a higher share of business, exploring newer markets, onboarding new customers, entering new geographies and increasing the product portfolio.

The Company believes and has confidence while it is servicing the Internal Combustion Engines (ICE) it will continue to invest in newer areas agnostic to ICE thereby creating a good parallel and profitable business.

Financial & Operational Performance and State of Company's Affairs

Financial Year 2023-24 has been a remarkable year for the Company as the Company has delivered the highest-ever financial performance by crossing the Rs. 30,000 Million milestone in terms of the total income. The Company's excellent brand image as the leading manufacturer and exporter of its products in India, backed by cutting-edge technology and technological collaborations with global leaders, enabled the Company to achieve these feats.

The Company's total income increased by 14.5% from Rs. 26,513 Million in the previous year to Rs. 30,351 Million for the year and revenue from operations grew by 13.4% from Rs. 26,050 Million in the previous year to Rs. 29,537 Million for the year. Profit before Depreciation and Taxes (before Other Comprehensive Income), after all interest charges, grew by 39.97% from Rs. 4,903 Million in the previous year to Rs. 6,862 Million for the year.

The performance improvement was contributed by factors like increase in production & sales, streamlining of the supply chain, digitization, focused approach to meet customer requirements, effective management of cash flow, implementing affordable automation, interlinking of machines, energy conservation, productivity improvement across products and implementation of cost optimization measures including effective & efficient utilization of resources.

The Company is taking persistent measures as a part of Business Continuity Planning to outgrow its business as compared to the Market. Based on the strength of its financials, the Company is well-positioned to invest in various avenues to grow the business.

To meet the Company's vision for diversification and growth, the Company undertook two acquisitions through its wholly-owned subsidiary, SPR Engenious Limited (SEL): -

- acquired a 51% stake, which was subsequently enhanced to 66.42%, in SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited). SPR EMF Innovations Private Limited (SPR-EMFI) is a young technology company operating in the electric vehicle (EV) space. SPR-EMFI leverages Singapore's strong power electronics research base and India's extensive manufacturing ecosystem to deliver cost-effective and reliable electric motors and controllers for green mobility applications.

  Through its R&D and manufacturing facility in Coimbatore, Tamil Nadu, SPR-EMFI manufactures electric motors and controllers that have applications across passenger vehicles, two & three-wheelers, commercial vehicles like buses, trucks, and also for various other applications. Through this acquisition, the Company has marked its foray into the EV component segment. SPR-EMFI will be among the top few companies supplying electric motors and controllers together, sized for specific applications for customers with capabilities and capacities to manufacture motors and controllers for applications ranging right from 250 watts to 300 kilowatts across all segments. SPR-EMFI is in the process of building another state-of-the-art manufacturing facility near its existing facility in Coimbatore, Tamil Nadu.

  Moreover, to further augment its technical capabilities, SPR-EMFI has also executed technical collaboration agreements for motors and controllers, helping it in developing certain India-related applications, in line with the Government of India's drive towards Atma-Nirbharta.

- acquired a 62% stake in SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited), in October 2023. SPR Takahata Precision India Private Limited (SPR-TPIPL) is a manufacturer of high-precision plastic injection molded parts for automotive applications and has a technical collaboration with Takahata Japan, a leading high-precision injection molded parts manufacturing company globally.

SPR-TPIPL has a state-of-the-art manufacturing facility in Neemrana, Rajasthan, which enables it to conduct end-to-end operations, right from designing, manufacturing and inspection, all under one roof.

These acquisitions of SPR-EMFI and SPR-TPIPL mark the Company's foray primarily into products agnostic to ICE.

The summarized standalone and consolidated results of the Company are as under:

Financial Highlights

(Rs. in Million)

Particulars	Financial Year Ended			
	Standalone		Consolidated	
	31.3.2023	31.3.2024	31.3.2023	31.3.2024
Revenue from Operations	26,050	29,537	26,093	30,893
Other Income	462	813	467	853
Total Income	26,512	30,351	26,560	31,746
Profit/(loss) before Interest, Depreciation & Tax (EBITDA)	5,097	7,114	5,070	7,273
Profit before Depreciation and Taxes (before OCI)	4,903	6,862	4,877	6,968
Depreciation	933	874	947	1,077
Profit Before Tax (before OCI)	3,969	5,989	3,930	5,891
Income Tax (including for earlier years)	1,014	1,521	991	1,505
Net Profit After Tax (before OCI)	2,956	4,468	2,939	4,387
Dividend including Dividend Distribution Tax (on a declared basis)	330	440	330	440
Amount transferred to General Reserve	2,735	4,204	2,714	3,955

Despite the ongoing geopolitical issues, the Company's exports registered a growth of 7% from Rs. 4,841 Million to Rs. 5,182 Million. This was due to the strengthening of relationships with the existing customers, range expansion and entering new markets & product segments.

The Company continues to invest in the right areas ahead of time to seize opportunities globally, however, other headwinds leading to uncertainties will be a critical factor for sales in the export market.

The Company also improved its performance in the Aftermarket by re-designing its network strategy to increase the range and reach of its products. The Company focuses on achieving the highest standards of quality, which has been well appreciated by all our customers.

With a well-equipped Technology Centre having self-sufficiency in end-to-end design & development, local engineering capability and analysis tools like FMEA & PFMEA, the Company is focusing on forward-looking technologies such as testing products for CNG requirement, solutions for hydrogen as a fuel, ethanol blending, etc.

The Company anticipates a continued rise in the penetration of electric vehicles (EV) supported by the ambitious targets set by the Government. There are challenges like Infrastructure availability, raw material sources and availability of robust designs to cater to Indian conditions in the EV market which will impede vertical growth. However, the Company sees these challenges as opportunities since it is one of the few companies in the EV segment that has focused on grounds-up development thereby creating robust designs suitable for the Indian road conditions.

Amidst these developments, the conventional ICE and industrial engines in its various forms are looking towards greener solutions like Hybrid, CNG, LNG, hydrogen-powered vehicles, H-CNG (where hydrogen is blended with CNG) and other flex fuels.

The Company believes that ICE, along with EVs, are poised to co-exist to meet the inherent demand of the growing market.

6P PRINCIPLES

Management is continuously focusing on the following 6 Principles (6 Ps) to transform the Company into a high-performance organization: -

- Core Organization Values (respect for people, doing things right, standing up against any wrongdoings)
- OTTT Framework (operate with openness, transparency, trust and teamwork)
- Continuous Improvement through Challenging the Status quo
- Creating a Learning Organization
- Culture of Execution and
- Appreciating and Motivating Performance at all levels

Awards & Accolades

The Company received multiple awards this year, a few of which are mentioned here:

- Quality/Delivery awards from OEMs viz. Escorts Kubota, Ashok Leyland, Maruti, Hyundai, HMSI, Bajaj Auto; and
- Various other awards from CII, ACMA, Engineering Export Promotion Council and others.

Share Capital

During the year, the Company has issued and allotted 2,20,24,912 equity shares of face value of Rs. 10/- each as fully paid-up bonus shares representing a ratio of 1 (One) equity share for every 1 (One) equity share as on the record date i.e. July 24, 2023, in compliance with the provisions of the Companies Act, 2013 (Act) and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Consequent to the bonus issue, the paid-up share capital increased from Rs. 22,02,49,120/- (comprising of 2,20,24,912 equity share of Rs. 10/- each) as on March 31, 2023 to Rs. 44,04,98,240/- (comprising of 4,40,49,824 equity share of Rs. 10/- each) as on March 31, 2024. The shares so allotted rank pari-passu with the existing share capital of the Company. Except as stated herein, there was no other change in the share capital of the Company. The authorised share capital of the Company is Rs. 825 Million.

During the year, the Company has not issued any equity shares with differential rights/sweat equity shares under the Companies (Share Capital and Debentures) Rules, 2014.

Dividend Distribution Policy

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015") the Board of Directors of the Company had formulated and adopted the Dividend Distribution Policy (DD Policy). The same is available on the Company's website at https://shrirampistons.com/investors-guide-2/.

The Board while making decisions for recommendations of the dividend takes guidance from the DD Policy and maintains a consistent approach to dividend pay-out plans.

Dividend

The Board in its meeting held on May 13, 2024, has recommended that equity shareholders be paid a dividend @ Rs. 10.00 per share of face value of Rs. 10/- each fully paid-up, for the financial year 2023-24, inclusive of Rs. 5.00 per share already paid as interim dividend.

The final dividend of Rs. 5.00 per share, if approved by the Members at the ensuing Annual General Meeting ('AGM') will be paid to those Members whose name appears on the register of Members (including Beneficial Owners) of the Company as at the end of Wednesday, July 17, 2024 (Record Date). The equity dividend would absorb Rs. 440 Million against Rs. 330 Million last year and an amount of Rs. 4,204 Million be transferred to General Reserve Account.

The Board has recommended the dividend based on the parameters laid down in the Dividend Distribution Policy and the dividend will be paid out of the profits of the FY 2023-24.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members w.e.f. April 1, 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

New Projects and Capacity Expansion

The Company has been able to increase its market share across all customer segments. The Company expects the Aftermarket, OE spares, Off-road applications and Exports to have a much longer life span, thereby de-risking its business model.

To meet the Company's vision for diversification and growth in areas other than ICE, the Company has been actively working on identifying suitable opportunities to further diversify its existing product portfolio.

Change in the Nature of Business

During the year under review, there has been no change in the nature of the Company's business.

Material Changes and Commitment

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2023-24 and the date of this Report.

Credit Rating

The details pertaining to credit ratings obtained by the Company during the financial year are provided in the Corporate Governance Report, which forms part of this Annual Report and the same have been placed at the website of the Company at https://shrirampistons.com/investors-guide-2/ under "Credit Ratings" tab.

Name Change of Subsidiaries

During the year under review, the Board of EMF Innovations Private Limited and Takahata Precision India Private Limited in their respective meetings held in January 2024 approved changing the name of the companies to incorporate the word "SPR" as a prefix in their respective names. After approval by the shareholders of the companies and the Registrar of Companies (ROC), the names stand changed to "SPR EMF Innovations Private Limited" (formerly EMF Innovations Private Limited) and "SPR Takahata Precision India Private Limited" (formerly Takahata Precision India Private Limited).

Listing of Equity Shares on the BSE Ltd. (Bombay Stock Exchange)

The equity shares of the Company are already listed on the National Stock Exchange Ltd. (NSE). Now, the Board in its meeting held on 13.5.2024 approved to list the equity shares of the Company at BSE also, subject to necessary approvals.

Subsidiary Companies and their Annual Accounts

i. SPR Engenious Limited (SEL)

SEL was incorporated as a wholly owned subsidiary (WOS) of the Company to diversify its product portfolio in the area related to the automotive segment. SEL commenced manufacturing operations in March 2024 at its manufacturing facility situated at Pithampur, Indore, Madhya Pradesh.

During the year under review, SEL has increased its Authorised Capital from Rs. 1,250 Million to Rs. 3,550 Million and issued 230 Million equity shares of Rs. 10/- each amounting to Rs. 2,300 Million to its Holding Company, Shriram Pistons & Rings Limited, on rights issue basis, from time to time. The issued, paid up & subscribed equity share capital of SEL is Rs. 3,500 Million as of the date of this report.

SEL became a 'material' subsidiary of the Company under Regulation 16(1)(c) and 24A(1) of SEBI Listing Regulations in October 2023 and February 2024 respectively. However, based on the financial statements for the FY 2023-24, SEL does not qualify to be a 'material subsidiary' as per Regulation 24(1) of SEBI Listing Regulations, 2015, as on date of this report.

ii. SPR EMF Innovations Private Limited (SPR-EMFI)

The Company through its wholly owned subsidiary SEL, on 11.1.2023 acquired a 51% stake, which was subsequently enhanced during the year to 66.42%, in SPR-EMFI. Accordingly, SPR-EMFI continued to be a subsidiary of SEL and a step-down subsidiary of the Company.

During the year under review, SPR-EMFI issued 55,11,811 Nos. equity shares of face value Rs. 10/- each at a premium of Rs. 117/- per share amounting to Rs. 700 Million to SEL on rights basis. The authorised share capital of SPR-EMFI is Rs. 350 Million and the issued, paid up & subscribed equity share capital is Rs. 175.17 Million as of the date of this report.

iii. SPR Takahata Precision India Private Limited (SPR-TPIPL)

The Company through its wholly owned subsidiary SEL, on 16.10.2023 acquired a 62% stake in SPR-TPIPL. Accordingly, SPR-TPIPL became a subsidiary of SEL and a step-down subsidiary of the Company.

During the year under review, no Company ceased to be a subsidiary of the Company.

Consolidated Financial Statement

The consolidated financial statements of the Company and its subsidiaries for FY 2023-24 have been prepared in compliance with the applicable provisions of the Companies Act, 2013 ('the Act') and as stipulated under Regulation 33 of SEBI Listing Regulations, 2015 as well as in accordance with the Indian Accounting Standards (Ind AS-110) on Consolidated Financial Statements notified under the Companies (Indian Accounting Standards) Rules, 2015. The audited consolidated financial statements together with the Independent Auditor's Report thereon form part of this Annual Report.

Pursuant to Section 129(3) of the Act, a statement containing the salient features of the financial statements of the subsidiary companies is attached to the financial statements in Form AOC-1 as **Annexure -VIII**.

The Audit Committee of the Company and Board of Directors reviews the financial statements of subsidiary companies. Further, pursuant to the provisions of Section 136 of the Act, the Company will make available the said financial statement of the subsidiary companies upon a request by any Member of the Company or its subsidiary companies. These financial statements of the Company and the subsidiary companies will also be kept open for inspection by Members. The Members can send an e-mail to compliance.officer@shrirampistons.com upto the date of the AGM and the same would also be available on the Company's website https://shrirampistons.com/investors-guide-2/ under "Annual Report of Subsidiary Company" tab.

There has been no material change in the nature of the business of the Company's subsidiaries.

The Policy for determining material subsidiaries is available on the Company's Website at https://shrirampistons.com/investors-guide-2/ under "Policies" tab.

Key Business developments:

i. Technology Licensing Agreements executed by SPR EMF Innovations Private Limited (SPR-EMFI)

SPR-EMFI, a step-down subsidiary of the Company, has been leveraging its strong power electronics and motors research base and extensive semi-automated manufacturing eco-system to deliver reliable EV Motors and Controllers for green mobility solutions and various other applications. Hence, executed the following Technology Licensing Agreements for E-motors, Motor Controllers and E-drive systems for vehicle platforms with: -

- Wuxi Lingbo Electronic Technology Co. for Controllers
- Shenzhen Greatland Electrics Inc. for all kinds of Motors

ii. Acquisition of 62% stake in SPR Takahata Precision India Private Limited ("SPR-TPIPL")

The Company through its wholly owned subsidiary SEL had entered into a definitive agreement in the financial year 2022-23, to acquire a 75% stake in the share capital (on a fully diluted basis) of SPR-TPIPL, at an Enterprise Value of INR 2,220 Million with adjustments for debt, debt-like items and working capital to be calculated as on closing date subject to satisfactory completion of all conditions precedent.

SPR-TPIPL's existing portfolio of precision moulded parts, precision metal moulds parts and assembled parts having a variety of functional products for automotive and other Industrial applications, fits into the Company's strategy of inorganic growth alongside de-risking its current business model.

The Board of the Company in October 2023, approved the amendment to the Share Purchase Agreement (SPA) and Shareholders' Agreement (SHA) dated February 9, 2023, executed between SEL, SPR-TPIPL, and Sellers to revise the terms and obligations for the purchase of Sales Shares i.e. 75% shares in SPR-TPIPL under SPA and to incorporate certain additional rights and obligations under the SHA as under:

- Purchase of 62% of the Share Capital on the closing date;
- Balance 13% of the Share Capital to be acquired subject to fulfillment of customary conditions as set out in the aforesaid agreements

In October 2023, SEL acquired 62% shareholding in SPR-TPIPL and accordingly, SPR-TPIPL has become a subsidiary of SEL and a step-down subsidiary of the Company.

iii. Renewal of Technical Collaboration Agreement with KS Kolbenschmidt GmbH, Germany (KS)

During the year, the Company renewed the Technical Collaboration Agreement with KS for the next 7 years. Further, KS divested its entire shareholding of 20.32% in the Company.

Number of Meetings of the Board

During the financial year under review, seven (7) meetings of the Board of Directors were held, details of which have been provided in the Corporate Governance Report which forms part of this Annual Report as **Annexure-I**. The intervening gap between two meetings did not exceed 120 days, as prescribed under the Companies Act, 2013 and SEBI Listing Regulations, 2015. The Company has complied with Secretarial Standards on the meeting of Board of Directors.

Committees of the Board

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority. The following Committees constituted by the Board function according to their respective roles and defined scope: -

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholder's Relationship Committee
- Risk Management Committee

Details of composition, terms of reference and number of meetings held for respective committees are given in the Report on Corporate Governance, which forms a part of this Annual Report. Further, during the year under review, all recommendations made by the various Committees have been accepted by the Board.

Audit Committee

As of 31.3.2024, members of the Audit Committee of the Company are Mr. Inderdeep Singh (Chairman), Mr. Pradeep Dinodia and Ms. Ferida Chopra.

Mr. Alok Ranjan, Non-Executive Independent Director of the Company ceased to be the director of the Company w.e.f. close of business hours of 29.3.2024 due to the completion of his tenure. Consequently, he also ceased to be a Member of the Audit Committee of the Company.

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

Whistle Blower Policy

The Company has a Whistle Blower Policy for Directors, Employees and Stakeholders to report any kind of misuse of the Company's properties, mismanagement, or wrongful conduct prevailing/executed in the Company. As per the policy, all Whistle Blowers are granted access to the Chairman of the Audit Committee in appropriate cases.

Nomination and Remuneration Policy

The Nomination and Remuneration Committee (NRC) of the Board has formulated a Nomination and Remuneration Policy for the remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP) and other employees of the Company.

The Nomination and Remuneration Policy covers the criteria for the appointment of Directors (including Independent Directors), KMPs and SMPs. The Policy also covers the criteria for remuneration.

There was no change in the Policy during the year.

The level and composition of remuneration shall be reasonable and sufficient to attract, retain, and motivate Directors, KMPs, SMPs, and employees at all levels. It shall be determined taking into account the factors such as Company's performance and the remuneration structure as generally applicable in the industry.

The Directors affirm that remuneration paid to all Directors, KMPs, SMPs and all other employees is as per the remuneration policy of the Company.

The Nomination and Remuneration Policy of the Company is available on the Company's website at https://shrirampistons.com/investors-guide-2/ under "Policies" tab.

As of 31.3.2024, the number of permanent employees on the rolls of the Company is 3,887.

Performance Evaluation of the Board, its Committees, and individual Directors

According to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its performance, evaluation of the working of its Committees and the Directors individually. The manner in which the evaluation has been carried out has been explained in Report on Corporate Governance, **Annexure-I** to this Report.

Related Party Transactions

The Company's contracts/arrangements/transactions with related parties are in the ordinary course of business and on an arm's length basis. Thus, provisions of Section 188(1) of the Companies Act, 2013 are not applicable. During the year, the Company has not entered into any contract/ arrangement/ transaction with related parties that could be construed to be "material" in accordance with the "Policy for determining material Related Party Transactions" approved by the Board. Thus, there are no transactions required to be reported in Form AOC-2. Details of all transactions with related parties are given in Note No. 36 of Notes forming part of Financial Statements.

The Company has complied with the Accounting Standards, Companies Act and SEBI Listing Regulations, 2015 on Related Party Transactions.

Corporate Governance Report

Pursuant to Regulation 34 of the SEBI Listing Regulations, 2015, the Report on Corporate Governance along with the certificate from a Practicing Company Secretary certifying compliance with conditions of Corporate Governance is annexed to this Report as **Annexure - I.**

Management Discussion and Analysis

The Management Discussion and Analysis, as required in terms of Regulation 34(2)(e) of the SEBI Listing Regulations, 2015, forms an integral part of this Annual Report and is annexed as **Annexure - II**.

Conservation of Energy, Technology Absorption and Foreign Exchange Earning & Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings & outgo stipulated under Section 134(3)(m) of the Act, read along with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed as **Annexure-III**.

Particulars of Employees and Remuneration

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure-IV**.

Statutory Auditors

Shareholders' in their meeting held on 6.7.2023 approved the appointment of M/s Walker Chandiok & Co. LLP, Chartered Accountants (Firm's Registration No. 001076N/N500013) as Statutory Auditors of the Company for a term of five consecutive years from the conclusion of 59th Annual General Meeting (AGM) till the conclusion of 64th AGM to be held in 2028.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Act and the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors appointed Ms. Preeti Grover (FCS 5862) Company Secretary in Practice, (Proprietor M/s PG & Associates), to conduct the Secretarial Audit of the Company for the year ended March 31, 2024. The Report of the Secretarial Audit is annexed as **Annexure-VI**. The said Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Secretarial Audit Report of Material Unlisted Subsidiary

As per regulation 24A(1) of SEBI Listing Regulations, 2015, the Company is required to annex the secretarial audit report of its material unlisted subsidiary to its Annual Report. SPR Engenious Ltd. (SEL) has been identified as Material Unlisted Subsidiaries of the Company for FY 2023-24 and accordingly, the Company is annexing the Secretarial Audit Reports of SEL as **Annexures-VII**.

Internal Financial Controls and their Adequacy

The Company had appointed M/s Ernst & Young and M/s RSM Astute as its Internal Auditors for FY 2023-24, in addition to its in-house team. The Internal Control System is commensurate with the size, scale and the complexity of Company's operations. The Internal Auditors report to the Chairman of the Audit Committee.

The Internal Audit teams monitor and evaluate the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures, and policies at all locations of the Company. Based on their reports, the corrective actions in respective areas are taken to strengthen the controls and significant audit observations and corrective actions thereon are presented to the Audit Committee.

Annual Return

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for FY 2023-24 is uploaded on the website of the Company and the same is available on https://shrirampistons.com/investors-guide-2/ under "Annual Return" tab.

Furthermore, in accordance with MCA Notification dated 27th October, 2023, the Company has designated Mr. Pankaj Gupta, Company Secretary and Compliance Officer, and in his absence, Mr. Prem Prakash Rathi, Chief Financial Officer for furnishing and extending cooperation for providing, information to the Registrar or any other authorised officer concerning beneficial interest in shares of the Company. As per said circular, details of the designated person shall be informed in the Annual Return to be filed for FY 2023-24.

Reports forming part of Boards' Report

The following reports which form an integral part of the board's report are enclosed: -

1. Report on Corporate Governance - Annexure-I
2. Report on Management Discussion and Analysis - Annexure-II
3. Report on Conservation of Energy, Technology Absorption and Foreign Exchange Earning & Outgo - Annexure-III
4. Data of Employees - Annexure-IV
5. Report on CSR Activities undertaken - Annexure-V
6. Secretarial Audit Report (MR-3) - Annexure-VI
7. Secretarial Audit Report of Material Unlisted Subsidiary (SEL) - Annexure-VII
8. Salient Features of Subsidiary Companies - Annexure-VIII

Business Responsibility and Sustainability Report ("BRSR")

In terms of Regulation 34 of SEBI Listing Regulations, 2015, the Business Responsibility & Sustainability Report, for the financial year ended March 31, 2024, describing the initiatives taken by the Company from an environmental, social and governance perspective, forms part of this Annual Report.

Disclosures on the Company's Website

The Company is committed to good corporate governance practices and corporate social responsibility. In line with the Company's principles/commitment, the following policies/programs/reports are in place and are available on the Company's website under the link "Investors' Guide" at https://shrirampistons.com/investors-guide-2/.

1. Corporate Social Responsibility (CSR) Policy
2. Vigil Mechanism/ Whistle Blower Policy
3. Company's policy on dealing with Related Party Transactions
4. Nomination and Remuneration Policy
5. Familiarization Programmes for Independent Directors
6. Policy for distribution of Dividend
7. Policy for determination of materiality of events or information
8. Policy for determining Material Subsidiaries
9. Annual Return of the Company FY 2023-24
10. Environment Protection Policy
11. Environment Social and Governance Policy
12. Equal Opportunity for Work and Pay Policy
13. Equal Opportunity Policy
14. Human Rights Policy
15. Sustainable Procurement Policy
16. Sustainable Supply Chain Policy
17. Archival Policy for disclosures of Events/Information
18. Policy on Preservation of Documents
19. Code of Practices & Procedures for Fair Disclosure of UPSI
20. Code of Conduct for Regulating, Monitoring and Reporting of Trades by Directors, Designated Persons under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and external agencies, including audit of internal controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY2023-24.

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that: -

1. in the preparation of the annual accounts, the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and requirements of the Companies Act have been followed and there are no material departures from the same;
2. appropriate accounting policies have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as of 31st March 2024 and the profit of the Company for the said period;
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the annual accounts have been prepared on a going concern basis;
5. internal financial controls are followed by the Company and such internal financial controls are adequate and operating effectively;
6. proper and adequate systems have been devised to ensure compliance with provisions of all applicable laws and such systems are adequate and operating effectively.

Other Disclosures:

1. There were no instances of any fraud reported by the Auditors to the Audit Committee or Board under Section 143(12) of the Companies Act, 2013.
2. No orders were passed by the Regulator(s), Court(s) or Tribunal(s) that could impact the going concern status and the Company's operations in the future.
3. There are no disqualifications, reservations, adverse remarks or disclaimers in the Statutory Auditors' and Secretarial Auditors' Report.
4. No Director of the Company is receiving commission from the Subsidiaries of the Company.
5. **Particulars of Loans, Guarantees or Investments**

   As per Section 186, the details of loans, guarantees and investments made during FY 2023-24 are given below: -

   (Rs. in Million)

Name of Companies	Nature of Transactions	Loans	Investment
SPR Engenious Limited	Equity Infusion	-	2300
SPR Engenious Limited (SEL)	Inter Corporate Debt (ICD)	148.40*	-
SPR EMF Innovations Private Limited (SPR-EMFI)	Inter Corporate Debt (ICD)	20.00*	-
SPR Takahata Precision India Private Limited (SPR-TPIPL)	Corporate Guarantee	1100.00**	-

Notes:

** During the year, the aforesaid ICD was re-paid by SEL and SPR-EMFI, hence ICD stands NIL as on March 31, 2024.*

*** During the year, the Board of Directors of the Company had approved providing a Corporate Guarantee on behalf of SPR-TPIPL, in favour of HDFC Bank Limited for securing the term loan facility availed by SPR-TPIPL. However, the letter of guarantee was executed on April 2, 2024.*

6. The Company has complied with applicable Secretarial Standards on Board Meetings and General Meetings.
7. During the year under review, there being no transactions/event/ occasion with respect to following items and no disclosure or reporting is required in respect of the same :
   - i) Issue of equity shares with differential rights as to dividend, voting or otherwise;
   - ii) Issue of debentures, bonds or any other convertible or non-convertible securities;
   - iii) Issue of warrants;

iv) Failure to implement any corporate action;

v) Issue of shares (including sweat equity shares) to employees of the Company under any scheme;

vi) Buy-back of shares under Section 67(3) of the Act;

vii) Details of revision of financial statement or the Report;

viii) Amounts received from director or relative of the director;

ix) Deviation or variation in connection with certain terms of a public issue, rights issue, preferential issue, etc;

x) Company's securities were not suspended for trading during the year.

8. No application has been made or proceeding is pending against the Company under the Insolvency and Bankruptcy Code (IBC), 2016.

9. Disclosure w.r.t. difference between the amounts of the valuation executed at the time of one-time settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with reasons thereof is not applicable.

10. As per the provisions of the Act and in compliance with Regulation 25(10) of the Listing Regulations, the Company has taken a Directors and Officers Liability Insurance (D&O Insurance) on behalf of all Directors including Independent Directors, Officers, Managers and Employees of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty concerning the Company.

Fixed Deposits

The Company has not renewed/accepted fixed deposits during the year. However, fixed deposits amounting to Rs. 0.16 Million accepted during the year, represent fixed deposits transferred in the name of nominee/joint holder in death cases. The fixed deposits amounting to Rs. 1.42 Million pertaining to 8 depositors remained unclaimed/ unpaid at the closing of the year. During the year, there was no default in the repayment of deposits and interest thereon. Fixed deposits accepted by the Company comply with the requirements of Chapter V of the Companies Act, 2013.

Investor Education and Protection Fund

The amount lying in unpaid dividend accounts for the last seven years is Rs. 1.23 Million. The unclaimed final dividend amount of FY 2016-17 is due to be transferred to the Investor Education and Protection Fund on 14.8.2024. The amount transferred to the Investor Education and Protection Fund during the year is Rs. 0.10 Million.

Disclosures w.r.t. shares lying in IEPF Account:

S. No.	Particulars	No. of Shareholders	No. of Shares
1	The aggregate number of Shareholders and the outstanding shares in the IEPF Authority account lying at the beginning of the year	14	17,273
2	Number of Shareholders who approached the Company for the transfer of shares from the IEPF Authority account during the year	NIL	NIL
3	Number of Shareholders to whom shares were transferred from the IEPF Authority account during the year	NIL	NIL
4	Number of Shareholders whose shares were transferred to the IEPF Authority account during the year	6	197
5	Adjustment for bonus issue of Equity Shares by the Company (Record date 24.7.2023)	20	17,470
6	The aggregate number of Shareholders and the outstanding shares in the IEPF Authority account lying at the end of the year	20	34,940
Note: The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.			

Disclosures w.r.t. shares lying in Suspense Account:

During the year, the Company issued 2,20,24,912 nos. bonus shares in the ratio of 1:1 to the shareholders of the Company in compliance with the provisions of the Companies Act, 2013 and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

For shareholders whose shares were held in physical form, their shares were transferred to a Suspense Account in compliance of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2018. Consequently, 3,853 equity shares are currently in the Suspense Demat Account of the Company.

Maintenance of Cost Records and Cost Audit

As per Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a Cost Accountant.

The Company is maintaining the Cost Records as required under Section 148(1) of the Act. The Cost Audit Report of the Company for the year ended March 31, 2023, duly audited by Chandra Wadhwa & Co., Cost Accountants, New Delhi, was submitted to the Ministry of Corporate Affairs, Government of India on 24.8.2023, within the due date of filing the said report.

On the recommendation of the Audit Committee, Chandra Wadhwa & Co., Cost Accountants, New Delhi (Firm Registration No. 00239), has been appointed as Cost Auditors for the FY 2024-25. The remuneration payable to the Cost Auditor is subject to ratification of their remuneration by the Members at this AGM.

Details of CSR Activities undertaken by the Company

Against the requirement of Rs. 51.96 Million during the year, the Company has spent Rs. 43.32 Million on various CSR activities and an amount of Rs. 8.63 Million has been transferred to Unspent CSR Account 2023-24 which would be incurred in the following years, as per the provisions of the Companies Act, 2013. Details of initiatives taken by the Company during the year in CSR activities and composition of the CSR Committee are provided in the Report on CSR Activities undertaken by the Company in FY 2023-24, **Annexure-V** to this Report.

Sustainability

Being proactive, the Company released its 2nd Business Responsibility and Sustainability Report (BRSR) under the nine principles of 'National Guidelines on Responsible Business Conduct' (NGRBC) and SEBI Guidelines, which outline the Company's sustainability performance. This is backed by the solid foundation of our integral values. The Company undertakes multiple initiatives to minimize its environmental footprint and give back to society.

Sustainability is not just a corporate responsibility but also an opportunity to create long-term value for stakeholders. The Company is committed to promoting sustainable development and making a positive contribution to society. Care for the environment is one of the core focus areas, as the Company is persistent to contribute in shaping a better future, which is safe, inclusive and sustainable.

Furthermore, the Company has designed business strategies that incorporate social well-being in everything it does. The Company is committed to reducing greenhouse gas emissions, promoting the use of renewable energy sources, implementing energy-efficient practices, exploring innovative technologies to reduce energy consumption and committed to becoming Carbon Neutral.

The Company has achieved several milestones in its ESG journey, such as having the status of zero liquid discharge, state-of-the-art ETP & STP, achieving a 20% reduction in scope II emissions, a 20% increase in the mix of renewable energy and a 30% increase in the use of recycled material.

The Company is also committed to manufacturing products that ultimately help in reducing the carbon footprint like manufacturing products specifically for CNG, ethanol blending and Hydrogen fuel applications for its customers.

Risk Management Framework

The Board of the Company has constituted a Risk Management Committee to frame, implement, monitor, review the Risk Management plan and to ensure its effectiveness. As of 31.3.2024, the Members of the Committee are Mr. Pradeep Dinodia (Chairman), Mr. Inderdeep Singh, Ms. Meenakshi Dass, Mr. Luv Deepak Shriram and Mr. Krishnakumar Srinivasan.

In view of the change in industry dynamics and evolving complexity, the Company developed and implemented a Risk Management Policy including the identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

Through the Enterprise Risk Management Program, the Company addresses its short-term, medium-term and long-terms risks. Risk Management Committee reviews the risk(s) along with mitigation measures from time to time.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act)

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. Internal Complaints Committee (ICC) is in place for all works and offices of the Company to redress complaints received regarding sexual harassment. No complaint was received/ pending under the above POSH Act during the year.

In order to ensure uniform understanding and wider coverage, awareness sessions are being organized for employees across the organization.

Secretarial Standards

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

Changes in Directors/ KMPs during the year and Appointment/ Re-appointment of Directors in the ensuing AGM

The changes are as under:

1. Mr. Sascha Putz (DIN: 08645364), Non-Executive Director of the Company, resigned w.e.f. closing hours of 30.4.2023.
2. Mr. Klaus Semke (DIN: 10133032) was appointed as Non-Executive Director w.e.f. 1.5.2023 in the casual vacancy caused pursuant to the resignation of Mr. Sascha Putz.
3. Mr. Sascha Putz (DIN: 08645364) was appointed as an Alternate Director to Mr. Klaus Semke w.e.f. 1.5.2023.
4. Mr. Sascha Putz (DIN: 08645364) ceased to be the Alternate Director to Mr. Klaus Semke (DIN: 10133032) w.e.f closing hours of 28.7.2023.
5. Mr. Alexandru Vladoi (DIN: 10381503) was appointed as Alternate Director to Mr. Klaus Semke (DIN: 10133032) w.e.f 6.11.2023.
6. Mr. Alok Ranjan (DIN: 08254398) ceased to be the Non-Executive Independent Director of the Company w.e.f. close of business hours of 29.3.2024 due to the completion of his tenure.
7. Mr. Masaaki Yamaguchi (DIN: 07106759), Non-Executive Director of the Company, resigned w.e.f. close of business hours of 31.3.2024. Consequently, Mr. Yasunori Maekawa (DIN: 06952173), alternate director to Mr. Masaaki Yamaguchi also ceased to be director of the Company with immediate effect.
8. Ms. Ferida Avnish Chopra (DIN: 08415847) was re-appointed as Non-Executive Independent Director for a second term of five (5) consecutive years commencing from 30.3.2024 to 29.3.2029.
9. Mr. Luv Deepak Shriram (DIN: 00051065) was re-appointed as a Whole-time Director of the Company for a period of five (5) years effective from 5.5.2024 to 4.5.2029 as approved by the members by means of Postal Ballot.
10. Mr. Hari Shanker Bhartia (DIN: 00010499) was re-appointed as Non-Executive Independent Director for a second term of five (5) consecutive years commencing from 31.3.2025 to 30.3.2030 subject to member's approval in the ensuing AGM.
11. Mr. Shinichi Unno (DIN: 09189521) was re-appointed as Non-Executive Independent Director for a second term of five (5) consecutive years commencing from 29.7.2024 to 28.7.2029 subject to member's approval in the ensuing AGM.
12. Ms. Tina Trikha (DIN: 02778940) was appointed as Non-Executive Independent Director of the Company for five (5) years, w.e.f. 13.5.2024 up to 12.5.2029 subject to member's approval in the ensuing AGM.
13. Mr. Yasunori Maekawa (DIN: 06952173) was appointed as a Non-Executive, Non-Independent Director of the Company with effect from 13.5.2024 subject to member's approval in the ensuing AGM.
14. Mr. Krishnakumar Srinivasan's (DIN: 00692717) current term shall expire on 10.2.2025 and has been re-appointed as the MD & CEO of the Company for a period of 5 year w.e.f. 11.2.2025 to 10.2.2030, subject to the approval of Members in the ensuing AGM.

Directors Liable to Retire by Rotation

Pursuant to the provisions of Section 152 of the Companies Act, 2013, and Rules framed thereunder (including any amendment thereof), Ms. Meenakshi Dass (DIN: 00524865) Non-Executive Director, and Mr. Pradeep Dinodia (DIN: 00027995) Chairman, Non-Executive Director of the Company shall retire by rotation at the ensuing AGM and being eligible, offer themselves for re-appointment. The Board recommends their re-appointment for member's approval.

A brief resume and other details of Directors seeking appointment/re-appointment are given in the Notice of the 60th Annual General Meeting of the Company.

The Board appreciated the services rendered and significant contribution to the Company of the Directors, who have ceased to be Directors during the year.

Familiarisation Programme for Independent Directors

All Independent Directors are familiarized with the operations and functioning of the Company at the time of their appointment and on an ongoing basis. The details of the familiarization programme(s) are provided in the Corporate Governance Report, which forms part of this Report and are also available on the Company's website at https://shrirampistons.com/investors-guide-2/.

Declarations from Independent Directors

In terms of Section 149 of the Act and the SEBI Listing Regulations, 2015, Mr. Hari Shanker Bhartia, Ms. Ferida Avnish Chopra, Mr. Inderdeep Singh, Mr. Shinichi Unno and Ms. Tina Trikha are the Independent Directors of the Company as on date of this Report.

All the Independent Directors of the Company have given declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, 2015. In terms of Regulation 25(8) of the SEBI Listing Regulations, 2015, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs (IICA), in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

During the year under review, Mr. Alok Ranjan ceased to be an Independent Director due to the completion of his tenure and also ceased to be the Member/Chairperson of the Committees of the Board of Directors of the Company.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act as well as the Rules made thereunder and are independent of the Management. Some of the Independent Directors are exempted from clearing the online proficiency test being conducted by the IICA and the remaining Independent Directors have cleared their online proficiency test well within prescribed timelines.

Directors and Key Managerial Personnel

During the financial year under review, there were no changes in the Key Managerial Personnel of the Company.

Accordingly, pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel (KMP) of the Company as on March 31, 2024 are Mr. Krishnakumar Srinivasan, Managing Director & CEO, Mr. Luv Deepak Shriram, Whole-time Director, Mr. Prem Prakash Rathi, Chief Financial Officer (CFO) and Mr. Pankaj Gupta, Company Secretary of the Company.

Acknowledgement

The Board of Directors wish to convey their appreciation to all of the Company's employees for their contribution towards the Company's performance. The Directors would also like to thank the collaborators, members, employee unions, customers, dealers, suppliers, bankers, governments and all other business associates for their continuous support to the Company and their confidence in its management.

For and on behalf of the Board of Directors

(Pradeep Dinodia)
Chairman
DIN: 00027995

New Delhi
May 13, 2024

ANNEXURE - I

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate governance is the framework that fosters transparency, ethical conduct and stakeholders' confidence within the Company. Effective corporate governance enhances the Company's value and ensures the well-being of all stakeholders, including shareholders, employees, customers, suppliers, the environment and the community as a whole. It serves as the bedrock for enterprise success and sustainable growth.

The Company's Corporate Governance philosophy is deeply rooted in principles of integrity, ethical behavior across all levels, robust disclosure practices to ensure transparency, operational accountability, the pursuit of long-term shareholder value while safeguarding the interests of all stakeholders, and commitment to environmental sustainability. The Company believe that ethical behavior is non-negotiable at every level in the organization. Transparency is ingrained in the Company's operations, with a commitment to open and honest communication with all stakeholders. Strong leadership and effective corporate governance practices have been the Company's hallmark of SHRIRAM culture and ethos.

The Company follows the philosophy of building sustainable businesses, rooted in the community, and demonstrate care for the environment. The Company has inherited a strong legacy of fair and transparent ethical governance, as embodied in the Company's Code of Conduct.

The Company complies with the requirements stipulated under Regulations 17 to 27 read with para C, D, E & F of Schedule V and clauses (b) to (i) and (t) of Regulation 46(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015") as applicable, concerning corporate governance.

A Report on compliance with the Corporate Governance provisions as prescribed under the SEBI Listing Regulations, 2015, is given herein below. This report is to be read with the Board's Report and all its Annexures for more clarity on the Corporate Governance practices of the Company.

II. BOARD OF DIRECTORS

The Board of Directors ("Board") is at the core of the Company's corporate governance practice & oversees, and ensures that the Management serves & protects the long-term interest of all stakeholders. The Company believe that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance.

Size and Composition of the Board

i) The Company is managed and controlled through a professional Board, comprising of an optimum combination of Executive, Non-Executive and Independent Directors. The composition of the Board conforms with the Regulation 17 of the SEBI Listing Regulations, 2015 read with Section 149 and 152 of the Companies Act, 2013 ("Act"). As of March 31, 2024, the Board comprised of 10 (ten) Directors, 2 (two) of whom are Executive Directors, 8 (eight) are Non-Executive Directors, of which 4 (four) are Non-Executive Independent Directors including 1 (one) Women Independent Director. The Board periodically evaluates the need for change in its composition and size.

ii) None of the Director on the Board: -

- held directorships (including any alternate directorships) in more than 20 (twenty) companies. Further, none of the Directors is a Director in more than 10 (ten) public companies (as specified in Section 165 of the Act);
- serves as Director in more than 7 (seven) listed entities (as specified in Regulation 17A of the SEBI Listing Regulations, 2015);
- serves as an Independent Director in more than 7 (seven) listed entities;
- none of the Whole Time Director/Managing Director of the Company serves as an Independent Director in any listed entity (as specified in Regulation 17A of the SEBI Listing Regulations, 2015);
- is a Member of more than 10 (ten) Committees or acts as Chairperson of more than 5 (five) Committees [considering only Audit and Stakeholders' Relationship Committee as specified in Regulation 26(1)(b) of the SEBI Listing Regulations, 2015], across all the public limited companies in which he/she is a Director.

Necessary disclosures regarding committee positions in other public companies as of March 31, 2024, have been made by the Directors.

iii) Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of SEBI Listing Regulations, 2015, read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, 2015, all the Independent Directors have declared that they meet the criteria of Independence as provided in Regulation 16(1)(b) of SEBI Listing Regulations, 2015 and have also confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The maximum tenure of the Independent Directors complies with the SEBI Listing Regulations, 2015, Act, Rules framed thereunder, and clarifications/circulars issued by the Ministry of Corporate Affairs in this regard from time to time. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

iv) Mr. Luv Deepak Shriram (Whole-time Director) is brother of Ms. Meenakshi Dass (Non-Executive Director), hence, are related to each other and belong to the promoter category. None of the other Directors of the Company are in any way related to each other.

v) Mr. Pradeep Dinodia, Chairperson of the Company is a Non-Executive Non-Independent Director and is not related to Mr. Krishnakumar Srinivasan, Managing Director & CEO of the Company as per the definition of the term "relative" defined under the Companies Act, 2013.

vi) Seven (7) Board Meetings were held during the financial year ended March 31, 2024 and gap between the two meetings did not exceed one hundred twenty (120) days as stipulated under Regulation 17(2) of SEBI Listing Regulations, 2015, Secretarial Standards and the Act. These meetings were held on 8.5.2023, 13.6.2023, 6.7.2023, 28.7.2023, 6.11.2023, 30.1.2024 and 28.3.2024. The necessary quorum was present at all the meetings and in case of any exigency/urgency, resolutions were passed by circulation.

vii) The names and categories of the Directors on the Board, Director's Identification Number, their attendance at Board Meetings held during the year and at the last Annual General Meeting ("AGM"), name of other listed entities in which he/she is a director (including category of Directorship) and the number of Directorships and Committee Chairmanships / Memberships held by them in other Public Companies as of March 31, 2024 are given herein below. Other Directorships do not include directorships of Private Limited Companies, Foreign Companies, and Companies registered under Section 8 of the Act. For the purpose of determination of the limit of the Board Committees, Chairmanship/ Membership of the Audit and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations, 2015.

Name of Director, Designation & DIN	Category	No. of Board meetings attended during the FY 2023-24	Whether attended last AGM held on July 6, 2023	No. of Directorships in other Public companies[10]		No. of Committee positions held in other public companies[10]		Directorships in other Listed entity (Category of Directorship)
				Chair-person	Member (incl. Chairman-ship)	Chair-person	Member (incl. Chairman-ship)	
Mr. Pradeep Dinodia (Chairman) (DIN: 00027995)	Non–Executive Director	7	Yes	-	3	5	8	i) Hero MotoCorp Limited (Non-Executive Director) ii) DCM Shriram Limited (Independent Director)
Mr. Hari Shanker Bhartia (DIN: 00010499)	Non–Executive Independent Director	3	No	3	4	-	1	i) Jubilant Pharmova Limited (Non-Executive Director & Co-Chairman) ii) Jubilant Ingrevia Limited (Co-Chairman & Wholetime Director) iii) Global Health Limited (Independent Director) iv) Jubilant Food Works Limited (Co-Chairman & Non-Executive Director)

Name of Director, Designation & DIN	Category	No. of Board meetings attended during the FY 2023-24	Whether attended last AGM held on July 6, 2023	No. of Directorships in other Public companies[10]		No. of Committee positions held in other public companies[10]		Directorships in other Listed entity (Category of Directorship)
				Chair-person	Member (incl. Chairman-ship)	Chair-person	Member (incl. Chairman-ship)	
Ms. Ferida Avnish Chopra (DIN: 08415847)	Non–Executive Independent Director	7	Yes	-	2	-	2	-
Mr. Inderdeep Singh (DIN: 00173538)	Non–Executive Independent Director	7	Yes	-	-	-	-	-
Mr. Shinichi Unno (DIN: 09189521)	Non–Executive Independent Director	3	Yes	-	-	-	-	-
Ms. Tina Trikha [1] (DIN: 02778940)	Non–Executive Independent Director	NA	NA	-	3	1	2	i) Hero MotoCorp Limited (Non-Executive Independent Director) ii) Oberoi Realty Limited (Non-Executive Independent Director) iii) C.E. Info Systems Limited (Non-Executive Independent Director)
Mr. Alok Ranjan [2] (DIN: 08254398)	Non–Executive Independent Director	7	Yes	-	2	2	2	-
Ms. Meenakshi Dass (DIN: 00524865)	Non–Executive Director	6	Yes	-	2	-	-	-
Mr. Klaus Semke[3] (DIN: 10133032)	Non–Executive Director	6	Yes	-	-	-	-	-
Mr. Masaaki Yamaguchi [4] (DIN: 007106759)	Non–Executive Director	5	Yes	-	-	-	-	-
Mr. Luv Deepak Shriram([5]) (Whole Time Director) (DIN: 00051065)	Executive Director (Promoter)	7	Yes	-	1	-	-	-
Mr. Krishnakumar Srinivasan (Managing Director & CEO) (DIN: 00692717)	Executive Director	7	Yes	3	3	-	2	-
Mr. Alexandru Vladoi [6] (Alternate Director to Mr. Klaus Semke) (DIN: 10381503)	Non–Executive Director	-	NA	-	-	-	-	-
Mr. Sascha Putz [7] (Alternate Director to Mr. Klaus Semke) (DIN: 08645364)	Non–Executive Director	1	NA	-	-	-	-	-

Name of Director, Designation & DIN	Category	No. of Board meetings attended during the FY 2023-24	Whether attended last AGM held on July 6, 2023	No. of Directorships in other Public companies[10]		No. of Committee positions held in other public companies[10]		Directorships in other Listed entity (Category of Directorship)
				Chair-person	Member (incl. Chairman-ship)	Chair-person	Member (incl. Chairman-ship)	
Mr. Yasunori Maekawa [8 & 9] (Alternate Director to Mr. Masaaki Yamaguchi) (DIN: 06952173)	Non–Executive Director	2	Yes	-	-	-	-	-

Notes:

(1) Ms. Tina Trikha has been appointed as Non-Executive Director (NED) (Independent) w.e.f. 13.5.2024, subject to the approval of members of the Company in the ensuing AGM.

(2) Consequent to the completion of his tenure, Mr. Alok Ranjan ceased to be NED (Independent)w.e.f. close of business hours of 29.3.2024.

(3) Mr. Klaus Semke was appointed as NED w.e.f. 1.5.2023 in the casual vacancy caused due to the resignation of Mr. Sascha Putz.

(4) Mr. Masaaki Yamaguchi, NED of the Company resigned, w.e.f. close of business hours of 31.3.2024.

(5) Mr. Luv Deepak Shriram's current term as WTD expired on 4.5.2024 and was re-appointed for a further period of 5 year w.e.f. 5.5.2024, as approved by the Members by means of postal ballot on 8.5.2024.

(6) Mr. Alexandru Vladoi was appointed as Alternate Director to Mr. Klaus Semke w.e.f 6.11.2023.

(7) Mr. Sascha Putz ceased to be NED w.e.f. closing hours of 30.4.2023 due to his resignation and appointed as Alternate Director to Mr. Klaus Semke w.e.f. 1.5.2023. Further, he ceased to be the Alternate Director to Mr. Klaus Semke w.e.f. 28.7.2023.

(8) Consequent to resignation of Mr. Masaaki Yamaguchi, Mr. Yasunori Maekawa, Alternate Director to Mr. Masaaki Yamaguchi, also ceased to be the Alternate Director w.e.f. 31.3.2024.

(9) Mr. Yasunori Maekawa has been appointed as NED w.e.f. 13.5.2024, subject to the approval of members of the Company in the ensuing AGM.

(10) Includes Directorships and Committee position in deemed public Company(ies).

viii) During the financial year 2023-24, information as specified in Part A of Schedule II of the SEBI Listing Regulations, 2015, has been placed before the Board for its consideration.

ix) The Board periodically reviews compliance reports about all laws applicable to the Company as required under Regulation 17(3) of the SEBI Listing Regulations, 2015, and suggest rectification, if any.

x) The Board has satisfied itself that plans are in place for orderly succession for appointment to the Board of Directors and Senior Management.

xi) Details of the number of equity shares of the Company held by the Directors (Executive and Non-Executive) as of 31.3.2024 are given below:

a) Executive Directors

Name of the Director	Designation	No. of Shares held	Percentage
Mr. Luv Deepak Shriram	Whole-time Director	66,67,862 Equity Shares held jointly as 1st holder	15.14%
		66,67,862 Equity Shares held jointly as 2nd holder *(in the capacity of Trustee –shares belong to Deepak Shriram Family Benefit Trust)*	Refer to para (b) below
		4 Equity Shares held jointly with *Mr. Kush D Shriram as trustees of NAK Benefit Trust*	-
		10,900 Equity shares held in his own name	0.02%

b) Non-Executive Directors

Name of the Director	Designation	No. of Shares held	Percentage
Ms. Meenakshi Dass	Non-Executive Director	66,67,862 Equity Shares held jointly as 1st holder	15.14 %
		66,67,862 Equity Shares held jointly as 2nd holder *(in the capacity of Trustee–shares belong to Deepak Shriram Family Benefit Trust)*	Refer to para (a) above
		16,69,440 Equity shares held in her own name	3.79 %

Notes:

(i) Apart from receiving directors sitting fees, dividend declared by the Company on the shares held, if any, and profit based commission, none of the Non- Executive or Independent Directors has any other material pecuniary relationship or transaction with the Company.

(ii) The Executive Directors and/or Non-Executive Directors of the Company do not hold any convertible securities/ instruments of the Company.

xii) Core Skills / Expertise / Competencies available with the Board:

The Company operates primarily in the Automotive Components segment. The Board has identified certain skills/expertise/competencies fundamental for the effective functioning of the Company and the Board of Directors of the Company is diversified and possesses all relevant skills. The Company believes that the collective effectiveness of the Board is a pre-requisite for the overall performance and progress of the Company. The Directors on the Board of the Company are professionals with extensive experience and expertise in their respective functional areas. The table given below shows the varied skills, expertise and competencies possessed by Directors.

S. No.	Skills	Name(s) of Directors who possesses such skills
(i)	Technical knowledge of the Industry in which the Company operates	- Mr. Pradeep Dinodia - Mr. Klaus Semke - Mr. Masaaki Yamaguchi - Mr. Yasunori Maekawa - Mr. Shinichi Unno - Mr. Luv Deepak Shriram - Mr. Krishnakumar Srinivasan
(ii)	Knowledge of finance, law, management, sales, marketing, administration, research, corporate governance, global business, emerging market experience, regulatory and risk oversight	- Mr. Pradeep Dinodia - Mr. Hari Shanker Bhartia - Ms. Ferida Chopra - Ms. Meenakshi Dass - Mr. Klaus Semke - Mr. Alok Ranjan - Mr. Inderdeep Singh - Ms. Tina Trikha - Mr. Masaaki Yamaguchi

S. No.	Skills	Name(s) of Directors who possesses such skills
		- Mr. Yasunori Maekawa - Mr. Shinichi Unno - Mr. Luv Deepak Shriram - Mr. Krishnakumar Srinivasan - Mr. Alexandru Vladoi

Notes:
- *On completion of his tenure, Mr. Alok Ranjan ceased to be NED (Independent) w.e.f. close of business hours of 29.3.2024.*
- *Mr. Masaaki Yamaguchi, NED of the Company resigned, w.e.f. close of business hours of 31.3.2024.*
- *Ms. Tina Trikha has been appointed as NED (Independent) w.e.f. 13.5.2024 subject to the approval of the Members at the ensuing AGM.*
- *Mr. Yasunori Maekawa appointed as NED w.e.f. 13.5.2024 subject to the approval of Members at the ensuing AGM.*

xiii) Selection and Appointment of new Directors

The Nomination and Remuneration Committee (NRC) evaluates potential Directors based on their expertise, independence and ability to enrich the Company's strategic & policy discussions. It prioritizes individuals with notable accomplishments in their respective domains who can effectively contribute to the Company's business goals. Moreover, it evaluates their existing directorships & committee memberships to ensure their availability and undivided attention.

The NRC oversees the screening and selection process of potential candidates. Upon evaluation, the NRC presents its recommendations to the Board. Subsequently, the Board reviews and approves the appointment of Directors, subject to shareholders' approval. The proposal is then presented to the shareholders for their approval.

xiv) Familiarization program for Independent Directors

The Independent Directors of the Company are eminent personalities having wide experience in the field of business, finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions. As required under Regulation 46 of the SEBI Listing Regulations, 2015, the terms and conditions of appointment of Independent Directors including their role, responsibility and duties are disclosed on the Company's website at https://shrirampistons.com/pdf/T-C-appointment-Id.pdf

Periodic presentations are made by the Senior Management, Statutory and Internal Auditors at the Board/ Committee Meetings on business and performance updates of the Company and its subsidiaries, the global business environment, business risks and their mitigation strategy, the impact of regulatory changes on strategy etc. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Independent Directors.

The details of the familiarization programme of the Independent Directors are available on the Company's website at https://shrirampistons.com/investors-guide-2/.

xv) Confirmation that the Independent Directors fulfills the condition and are Independent of the Management

In the opinion of the Board, all the Independent Directors appointed on the Board have fulfilled all the necessary conditions and criteria as enumerated under Regulation 16(1)(b) of the SEBI Listing Regulations, 2015, and have provided their declaration/disclosures in relation to their Independence as required under Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations, 2015. All the Independent Directors are independent of the management and are not related to any members of the Board. The Company has taken Directors and Officers (D&O) Insurance for all its Independent Directors, as mandated under Regulation 25(10) of the SEBI Listing Regulations, 2015.

xvi) Detailed reasons for the resignation of an Independent Director before the expiry of his/her tenure along with confirmation that there are no material reasons other than those provided

During the year under review, none of the Independent Directors of the Company had resigned from the Board of the Company before the expiry of their respective tenure(s).

III. COMMITTEES OF THE BOARD

The Board has constituted six (6) Committees of Directors with adequate delegation of powers to focus effectively on the issues and ensure expedient resolution of diverse matters. Each Committee has specific terms of reference setting forth the purpose, role, and responsibilities of the Committee. Committee members are appointed by the Board as and when required and the Company Secretary of the Company acts as the Secretary to all the Committees. All recommendations of the Committees are placed before the Board for approval or information, if required. During the FY 2023- 24, all the recommendations/submissions by the Committees were accepted by the Board. These Committees meet as often as required or as statutorily required.

Brief terms of reference, composition, meetings, attendance, and other relevant details of these Committees are as under:

A. Audit Committee

The Audit Committee (AC) of the Company is constituted in line with the provisions of Regulation 18(1) of the SEBI Listing Regulations, 2015 read with Section 177 of the Act. The broad terms of reference of the Audit Committee are:

a) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient, and credible;

b) Recommending to the Board the appointment/ re-appointment, remuneration, and terms of appointment of auditors of the Company;

c) Approval of payments to the statutory auditors for any other services rendered by them;

d) Reviewing with the Management, the annual financial statements and auditor's report thereon, before submission to the Board for approval with particular reference to:

(i) Matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of clause(c) of sub-section (3) of Section 134 of the Act;

(ii) Changes, if any, in accounting policies and practices and reasons for the same;

(iii) Major accounting entries involving estimates based on the exercise of judgement by management;

(iv) Significant adjustments made in the financial statements arising out of audit findings;

(v) Compliance with listing and other legal requirements relating to financial statements;

(vi) Disclosure of any related party transactions;

(vii) Modified opinion(s) in the draft audit report.

e) Reviewing with the Management, the quarterly financial statements before submission to the Board for approval;

f) Reviewing with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public, rights issue, preferential issue or qualified institution placement and making appropriate recommendations to the Board to take up steps in this matter;

g) Review and monitor the auditor's independence and performance and effectiveness of the audit process;

h) Approval of any subsequent modification of transactions of the Company with related parties;

i) Scrutiny of inter-corporate loans and investments;

j) Valuation of undertakings or assets of the Company wherever it is necessary;

k) Evaluation of internal financial controls and risk management systems;

l) Reviewing with the Management, the performance of statutory and internal auditors and the adequacy of the internal control systems;

m) Discussion with internal auditors any significant findings and follow up thereon;

n) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting matters to the Board;

o) Discussion with the statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern;

p) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

q) Reviewing the functioning of the whistle blower mechanism;

r) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background etc., of the candidate;

s) Reviewing the utilization of loans, advances, investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary whichever is lower including existing loans/ advances / investments;

t) Consider and comment on the rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc.

u) The Audit Committee also mandatorily reviews the following information:

(i) management discussion and analysis of financial condition and results of operations;

(ii) management letters / letters of internal control weaknesses issued by the statutory auditors;

(iii) internal audit reports relating to internal control weaknesses;

(iv) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;

(v) to review statement of deviation(s), if any, in terms of SEBI Listing Regulations, 2015; and

(vi) to review the compliance with the provisions of SEBI (PIT) Regulations and verify that the system for internal control is adequate and operating effectively.

Upon invitation, the CFO, internal auditors and statutory auditors of the Company attend meetings of the Audit Committee. The Company Secretary acts as the Secretary of the Audit Committee.

During FY 2023-24, five (5) meetings of the AC were held i.e. on 8.5.2023, 28.7.2023, 6.11.2023, 30.1.2024, and 28.3.2024 in due compliance with the provisions of the Act and the SEBI Listing Regulations, 2015. A necessary quorum was present at all the meetings.

The composition of the AC and the number of meetings attended by the members during the year are given below:

Name of Committee Member	Category	Meetings Attended
Mr. Inderdeep Singh, Chairperson	Non- Executive Independent Director	5
Ms. Ferida Chopra, Member	Non- Executive Independent Director	5
Mr. Alok Ranjan*, Member	Non- Executive Independent Director	5
Mr. Pradeep Dinodia, Member	Non-Executive Non-Independent Director	5
*Note: *On completion of his tenure, Mr. Alok Ranjan ceased to be NED (Independent) w.e.f. close of business hours of 29.3.2024 and consequently ceased to be a member of the Audit Committee.*		

Mr. Krishnakumar Srinivasan is a permanent invitee to all the Audit Committee meetings.

Mr. Pankaj Gupta, Company Secretary acts as the Secretary of the AC. The previous AGM of the Company was held on 6.7.2023 and was attended by Mr. Inderdeep Singh, Chairperson of AC.

B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) of the Company is constituted in consonance with the provisions of Regulation 19 of SEBI Listing Regulations, 2015 and Section 178 of the Act read with Rules framed thereunder.

The broad terms of reference of NRC includes the following:

a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommending to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;

b) formulation of criteria for evaluation of the performance of Independent Directors and the Board;

c) to devise a policy on Board diversity;

d) to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;

e) For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. To Identify suitable candidates, the Committee may:

(i) use the services of external agencies, if required;

(ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and

(iii) consider the time commitments of the candidates.

f) to evaluate every Director's performance;

g) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

h) recommend to the board, all remuneration, in whatever form, payable to senior management.

During the year under review, two (2) meetings of the NRC were held i.e. on 8.5.2023 and 28.3.2024 in due compliance with the provisions of the Act and the SEBI Listing Regulations, 2015. A necessary quorum was present at all the meetings.

Apart from the aforesaid Meetings, Circular Resolution(s) were also passed by the Committee Members. Subsequently, these Circular Resolution(s) were noted in the Meeting held after the date on which the Circular Resolution(s) were passed by the Committee Members.

The composition of the NRC and the number of meetings attended by the members during the year are as given below:

Name of Committee Member	Category	Meetings Attended
Ms. Ferida Chopra**, Chairperson	Non- Executive Independent Director	2
Mr. Alok Ranjan*, Chairperson	Non- Executive Independent Director	2
Mr. Inderdeep Singh, Member	Non- Executive Independent Director	2
Mr. Pradeep Dinodia, Member	Non-Executive Non- Independent Director	2
*Note: *On completion of his tenure, Mr. Alok Ranjan ceased to be NED (Independent) w.e.f. close of business hours of 29.3.2024 and consequently ceased to be the Member & Chairperson of NRC.* *** Ms. Ferida Chopra has been elevated as Chairperson of NRC w.e.f. 30.3.2024.*		

Mr. Krishnakumar Srinivasan is a permanent invitee to all the Nomination and Remuneration Committee meetings.

Mr. Pankaj Gupta, Company Secretary acts as the Secretary of the NRC. The previous AGM of the Company was held on 6.7.2023 and was attended by Mr. Alok Ranjan, Chairperson of NRC.

Performance Evaluation Criteria for Independent Directors

According to the provisions of Section 134 & 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations, 2015, the Nomination and Remuneration Committee has devised a performance evaluation criteria for Independent Directors and the Director being assessed on the following basis: -

- Professional qualifications, expertise and experience in specific areas of business
- Ethical Standards of Integrity and Probity
- Implementation of best corporate governance practices in the Company
- Attendance and participation in the meetings
- Raising concerns to the Board
- Safeguarding confidential information
- Rendering independent, unbiased opinions and resolution of issues
- Knowledge about the economy and related movements of the automobile markets
- Initiative in terms of new ideas and planning for the Company
- Safeguarding the interest of whistle-blowers under vigil mechanism
- Timely inputs on the minutes of the meetings of the Board and Committees, if any

Nomination and Remuneration Policy:

The Nomination and Remuneration Policy ("Policy") is formulated by the NRC and approved by the Board of Directors of the Company. The Policy of the Company has been uploaded on the website of the Company under the web link https://shrirampistons.com/investors-guide-2/.

The Policy of the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. The guiding principle of the Policy is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management.

NRC determines and recommends to the Board for approval, individual remuneration packages for Executive Directors, KMPs & Senior Management of the Company based on the scope of their duties, the role & nature of responsibilities, the level of skill, knowledge & experience of an individual, their performance, business performance and practices in comparable companies, having due regard to financial & commercial health of the Company as well as prevailing laws and regulations/other guidelines.

Remuneration may comprise of fixed component only or a combination of both fixed and variable component including commission by way of a certain percentage of the Net profit of the Company as calculated under Section 198 of the Act. Fixed component may include salary, allowances, perquisites and other statutory/ non-statutory benefits. The NRC may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, fulfillment of specified improvement targets, or the attainment of certain financial or other objectives set by the Board. The amount payable is determined by the NRC, based on performance against pre-determined financial and non-financial metrics.

Remuneration to Non-Executive Directors

According to the approval granted by the Members of the Company at the 59th AGM held on 6th July, 2023, the Non-Executive Directors were paid commission upto a maximum of 1% of annual profits of the Company (profit before depreciation, donation and taxes) for the FY 2023-24, as computed in the manner laid down in section 198 of the Act or any statutory modification(s) or re-enactment(s) thereof. Further, based on the aforementioned members' approval, out of the said limit of 1% commission, Mr. Pradeep Dinodia, Chairman (Non-Executive Director) of the Company was paid a commission @ 0.60% for the FY 2023-24.

Besides the above, the Non- Executive Directors are also entitled to get sitting fees for attending the Board Meeting and Committee Meetings. Sitting fees to the Non-Executive Directors for attending each Board &

Committee Meeting was Rs. 1,00,000/-. The Company also reimburses the out-of-pocket expenses incurred by Directors for attending the meetings.

Non-Executive Directors do not have any other pecuniary relationship with the Company except as stated above.

The fee and commission paid/provided to the Non-Executive Directors for the year ended March 31, 2024 are as follows:

Directors	Sitting Fees for Board and Committee meetings paid during the year (Rs. Million)	Commission (Rs. Million)
Mr. Pradeep Dinodia (Chairman)	1.90	41.32
Mr. Hari Shanker Bhartia	0.30	1.01
Ms. Ferida Avnish Chopra	1.50	4.00
Ms. Meenakshi Dass	1.00	4.00
Mr. Alok Ranjan[1]	1.60	4.00
Mr. Klaus Semke	0.60	4.00
Mr. Sascha Putz [2] (Alternate Director to Mr. Klaus Semke)	0.10	NA
Mr. Inderdeep Singh	1.60	4.00
Mr. Masaaki Yamaguchi[3]	0.50	1.01
Mr. Yasunori Maekawa[4 & 5] (Alternate Director to Mr. Masaaki Yamaguchi)	0.20	1.01
Mr. Shinichi Unno	0.30	1.01
Mr. Alexandru Vladoi[6]	NA	NA

Notes:

(1) Consequent to completion of his tenure, Mr. Alok Ranjan ceased to be NED (Independent) w.e.f. close of business hours of 29.3.2024.

(2) Mr. Sascha Putz was appointed as alternate director to Mr. Klaus Semke w.e.f. 1.5.2023 and ceased to be Alternate Director to Mr. Klaus Semke w.e.f. 28.7.2023.

(3) Mr. Masaaki Yamaguchi, NED of the Company resigned, w.e.f. close of business hours of 31.3.2024.

(4) Consequent to resignation of Mr. Masaaki Yamaguchi; Mr. Yasunori Maekawa, Alternate Director to Mr. Masaaki Yamaguchi, also ceased to be the Alternate Director w.e.f. 31.3.2024.

(5) Mr. Yasunori Maekawa has been appointed as NED w.e.f. 13.5.2024, subject to approval of Members of the Company in the ensuing AGM.

(6) Mr. Alexandru Vladoi was appointed as Alternate Director to Mr. Klaus Semke w.e.f. 6.11.2023.

Remuneration to Executive Directors:

The Company pays remuneration by way of salary, benefits, perquisites, and allowances (fixed component) and commission (variable component) on annual profits (before depreciation, donation and taxes) of the Company as calculated under Section 198 of the Act.

The remuneration to the Managing Director & CEO and Whole-time Director for the year ended March 31, 2024 is as follows: -

Rs./Million

Particulars	Mr. Krishnakumar Srinivasan (Managing Director & CEO)	Mr. Luv Deepak Shriram (Whole-time Director)
Salary	10.80	6.78
Commission	68.87	58.54
Company's Contribution to Funds[#]	2.48	0.0015
Perquisites and Allowances	6.48	4.19
Total	**88.63**	**69.52**
Date of Original appointment	11.2.2020	1.4.2009
Date of Appointment/Re-appointment	11.2.2020	5.5.2024
Tenure up to	10.2.2025*	4.5.2029**

Notes:

i. **Mr. Krishnakumar Srinivasan was appointed as MD & CEO for a period of 5 years w.e.f. 11.2.2020 to 10.2.2025. The Board in its meeting held on 13.5.2024 re-appointed him as the MD & CEO of the Company for a period of 5 year w.e.f. 11.2.2025 to 10.2.2030, subject to the approval of Members in the ensuing AGM.*

ii. ***Mr. Luv Deepak Shriram's current term as WTD expired on 4.5.2024 and was re-appointed for a further period of 5 years w.e.f. 5.5.2024 as approved by the Members by means of postal ballot on 8.5.2024.*

iii. *Notice period is six months, on either side.*

iv. *In the event of termination of appointment, compensation will be paid in accordance with the provisions of the Companies Act, 2013.*

v. *Performance criteria for determining commission are annual profits of the Company before depreciation, donation and taxes.*

vi. *The Company does not have a scheme of stock options.*

vii. *[#]Aggregate of the Company's contribution to the Provident Fund, Superannuation Fund & Gratuity Fund.*

viii. *Revision within the salary scale shall be approved by NRC.*

Senior Management Personnel during FY 2023-24

The Nomination and Remuneration Policy of the Company defines Senior Management Personnel of the Company. The list of Senior Management Personnel as on March 31, 2024 is hosted on the Company's website at https://shrirampistons.com/management-team/. Further, there has been no change in the list of senior management personnel since the close of the previous financial year. Below is the list of Senior Management Personnel of the Company as on March 31, 2024 :

S.No.	Name	Designation
(i)	Mr. Krishnakumar Srinivasan	Managing Director & CEO
(ii)	Mr. Devendra Mishra	Executive Director - Pathredi
(iii)	Mr. Sandeep Kalia	Executive Director - Ghaziabad
(iv)	Mr. Rajnish Julka	Executive Director – Ghaziabad (Appointed w.e.f. 1.4.2024)
(v)	Mr. Sandeep Agrawal	Executive Director & CMO
(vi)	Mr. Rajan Nanda	Executive Director
(vii)	Ms. Poonam Bharti	Executive Director & CHRO
(viii)	Mr. Prem Prakash Rathi	Executive Director & CFO
(ix)	Mr. Arun Kumar Shukla	Executive Director - Projects
(x)	Mr. Atul K. Khanapurkar	Dy. Executive Director - Pathredi

S.No.	Name	Designation
(xi)	Mr. Dharmendra Singh	Dy. Executive Director - Ghaziabad
(xii)	Mr. Ashok Sinha	Dy. Executive Director, ISCM
(xiii)	Mr. Prashant Khairnar	Chief Digital Officer
(xiv)	Mr. Pankaj Gupta	Head Legal & CS
(xv)	Mr. Pankaj Jain	Chief – Quality Control

C. Stakeholders Relationship Committee

The Stakeholders' Relationship Committee (SRC) is constituted in line with the provisions of Regulation 20 of the SEBI Listing Regulations, 2015 read with Section 178 of the Act and Rules framed thereunder (including any amendments thereof).

The broad terms of reference of the SRC are: -

a) Resolving the grievances of the security holders of the Company including complaints related to the transfer/ transmission of shares, non-receipt of the annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

b) Review of measures taken for the effective exercise of voting rights by shareholders.

c) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

d) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

During the year, one (1) meeting of SRC was held on 30.1.2024 and a necessary quorum was present at the said meeting.

The composition of the SRC and number of meeting (s) attended by the members during the year are given below:

Names of Committee Members	Category	Meetings Attended
Ms. Ferida Chopra, Chairperson	Non- Executive Independent Director	1
Mr. Pradeep Dinodia, Member	Non-Executive Non- Independent Director	1
Mr. Krishnakumar Srinivasan, Member	Managing Director & CEO	1

Mr. Pankaj Gupta, Company Secretary acts as the Secretary of the SRC. The previous AGM of the Company was held on 6.7.2023 and was attended by Ms. Ferida Chopra, Chairperson of SRC.

The Company addresses all complaints, suggestions and grievances expeditiously and replies are sent/ issues resolved usually within 15 days unless there is a dispute or other legal constraint.

(i) Name, Designation, Address & E-mail of Compliance Officer:

Mr. Pankaj Gupta, Company Secretary & Compliance Officer

Shriram Pistons & Rings Limited
Registered Office: 3rd Floor, Himalaya House,
23, Kasturba Gandhi Marg,
New Delhi -110 001
E-mail : pankaj.gupta@shrirampistons.com
compliance.officer@shrirampistons.com
Ph.: +91 11 2331 5941

(ii) Detail of shareholder's complaints received and redressed:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	Nil	Nil	Nil

Compliance Certificates

In compliance with the provisions of Regulations 40(9) of SEBI Listing Regulations, 2015, a yearly certificate has been issued as on March 31, 2024, by a Company Secretary in Practice, certifying due compliance of share transfer formalities by the Company. Further, the Company has filed a copy of the said certificate simultaneously with the Stock Exchange (i.e. NSE) under Regulation 40(10) of the SEBI Listing Regulations, 2015.

Further, the compliance certificate under Regulation 7(3) of the SEBI Listing Regulations, 2015, duly signed by the Compliance Officer of the Company and the authorized representative of the Share Transfer Agent, confirming that all activities in relation to the share transfer facility are maintained by Registrar and Share Transfer Agent, registered with the Securities and Exchange Board of India, has been filed with the Stock Exchanges on an annual basis.

D. Risk Management Committee

The Company has constituted a Risk Management Committee ('RMC') in concurrence with the provisions of Regulation 21 of the SEBI Listing Regulations, 2015, for framing, implementing and monitoring the risk management policy of the Company. The RMC assists the Board in fulfilling its oversight responsibility with respect to Enterprise Risk Management ('ERM').

The terms of the reference of RMC are wide and are in line with the regulatory requirements of the SEBI Listing Regulations, 2015 and *inter alia* include:

(i) Formulation of a detailed risk management policy which shall include:

  a) Framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by RMC;

  b) Measures for risk mitigation including systems and processes for internal control of identified risks; and

  c) Business continuity plan.

(ii) Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(iii) Monitoring and overseeing the implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(iv) Periodically reviewing the risk management policy (at least once in two years) including by considering the changing industry dynamics and evolving complexity;

(v) Keeping the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken; and

(vi) Reviewing the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

During the year two (2) meetings of RMC were held on 28.7.2023 and 22.1.2024 and the intervening gap between the two consecutive meetings did not exceed one hundred and eighty (180) days. Necessary quorum was present at the meeting.

The composition of the RMC and details of its Members are given below:

Names of Committee Members	Category	Meetings Attended
Mr. Pradeep Dinodia, Chairperson	Non-Executive Non- Independent Director	2
Mr. Inderdeep Singh, Member	Non- Executive Independent Director	1
Mr. Krishnakumar Srinivasan, Member	Managing Director & CEO	2
Mr. Luv Deepak Shriram , Member	Whole-time Director	1
Ms. Meenakshi Dass, Member	Non-Executive Non- Independent Director	2
Mr. Alok Ranjan*, Member	Non- Executive Independent Director	2
*Note: *Consequent to completion of his tenure, ceased to be NED (Independent) w.e.f. close of business hours of 29.3.2024 and the Member of RMC.*		

E. Corporate Social Responsibility (CSR) Committee

Corporate Social Responsibility Committee is constituted in concurrence with the provisions of Section 135 of the Companies Act, 2013 and rules framed thereunder.

Terms of reference of the CSR Committee include:

(i) to formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject specified in Schedule VII of the Companies Act, 2013;

(ii) to recommend the amount of expenditure to be incurred on CSR activities;

(iii) to monitor CSR Policy of the Company from time to time;

(iv) discharge such duties and functions as indicated in Section 135 of the Companies Act, 2013 and Rules made thereunder from time to time and such other functions as may be delegated to the Committee by the Board from time to time.

The CSR Policy of the Company has been uploaded on the Company's website under the web link https://shrirampistons.com/investors-guide-2/ and the areas and amount of expenditure incurred by the Company on CSR projects or programs during the financial year 2023-24 has been updated and is available on the website of the Company. During the year, two (2) meetings of the CSR Committee were held on 28.7.2023 and 30.1.2024. Necessary quorum was present at all the CSR Committee meetings. The Composition of the CSR Committee and details of the meetings attended by its members are given below: -

Names of Committee Members	Category	Meetings Attended
Mr. Pradeep Dinodia, Chairperson	Non-Executive, Non- Independent Director	2
Mr. Inderdeep Singh, Member	Non- Executive, Independent Director	1
Ms. Meenakshi Dass, Member	Non-Executive, Non- Independent Director	2
Mr. Krishnakumar Srinivasan, Member	Managing Director & CEO	2
Mr. Luv Deepak Shriram , Member	Whole-time Director	2

Mr. Pankaj Gupta, Company Secretary acts as the Secretary of the CSR Committee.

F. Independent Directors Meeting

In accordance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015, a meeting of the Independent Directors of the Company was held on March 21, 2024, without the attendance of Non-Independent Directors and members of the management.

IV. GENERAL BODY MEETINGS

A. Details of General Meetings

a) Annual General Meeting (AGM)

Date and venue of the last three Annual General Meetings:

Details of Meeting (Financial year)	Date of Meeting	Time of Meeting	Venue of Meeting
57th Annual General Meeting (2020-21)	July 6, 2021	4.00 P.M.	AGMs were held through Video Conferencing (VC) /Other Audio Visual Means (OAVM). The deemed venue of the meetings were Registered Office 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi -110 001
58th Annual General Meeting (2021-22)	June 29, 2022		
59th Annual General Meeting (2022-23)	July 6, 2023		

b) Extraordinary General Meeting (EGM)

No extraordinary general meeting of the members of the Company was held during the FY 2023-24.

c) Special Resolution in the previous three Annual General Meeting

At the AGM held on July 6, 2023, two (2) Special Resolutions were passed as follows:

(i) Approval for authorisation for the creation of security on the properties of the Company in favour of the lender under section 180(1)(a) of the Companies Act, 2013;

(ii) Approval for authorisation for payment of profit commission of 0.6% to the Chairman for the financial year 2023-24

At the AGM held on June 29, 2022, four (4) Special Resolutions were passed as follows:

(i) Approval for authorisation for payment of profit commission of 0.6% to the Chairman for the financial year 2022-23;

(ii) Approval for implementation of 'SPR Employees' Stock Option Plan 2022 ('ESOP 2022') and for grant of options to the eligible employees of the Company;

(iii) Approval for setting up of an ESOP Trust and acquisition of equity shares from the secondary market by the Trust for the implementation of ESOP 2022;

(iv) Approval for extending financial assistance/ provisioning of money by the Company to the ESOP Trust to fund the acquisition of the equity shares of the Company, in terms of ESOP 2022;

At the AGM held on July 6, 2021, one (1) Special Resolution was passed as follows:

(i) Approval for authorisation for payment of profit commission of 0.6% to the Chairman for the financial year 2021-22.

B. Postal Ballot

No Postal Ballot was conducted during the financial year 2023-24. However, the Board of Directors in its meeting held on 28.3.2024, had approved the notice of postal ballot through which the Company had sought the approval of the members by way of Special Resolution for Re-appointment of Ms. Ferida Avnish Chopra (DIN: 08415847) as Non-Executive Independent Director for a second term of 5 (five) consecutive years commencing from 30.3.2024 to 29.3.2029 (both days inclusive).

The aforesaid resolution was duly passed and the results of which was announced on 9.5.2024.

CS Vineet K Chaudhary (M.No. FCS 5327 and CP No. 4548), Managing Partner of M/s VKC & Associates, Company Secretaries, and in his absence, CS Mohit K. Dixit (M.No. FCS 12361 and CP No. 17827), Partner of M/s VKC & Associates, Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner. Details of the voting pattern are provided below:

Resolution passed through postal ballot	Votes in favour of the resolution			Votes against the resolution			Invalid votes	
	Number of members voted	Number of valid Votes cast (Shares)	Percentage of total number of valid votes cast	Number of members voted	Number of valid votes cast (Shares)	Percentage of total number of valid votes cast	Total number of members whose votes were declared invalid	Total number of invalid votes cast (Shares)
Re-appointment of Ms. Ferida Avnish Chopra (DIN: 08415847) as Non-Executive Independent Director for a second term of 5 (five) consecutive years commencing from 30.3.2024 to 29.3.2029 (both days inclusive)	163	34233251	99.9447	9	18942	0.0553	-	-

Procedure for postal ballot: The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 and subsequent circulars issued in this regard, the latest being 9/2023 dated September 25, 2023, respectively issued by the Ministry of Corporate Affairs.

Details of special resolution proposed to be conducted through postal ballot: None of the business proposed to be transacted at the ensuing AGM requires passing of the special resolution through postal ballot.

V. MEANS OF COMMUNICATION

The Company recognizes the importance of two-way communication with Shareholders and of giving a balanced reporting of results and progress. Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance. Towards this end, major steps taken are as under:

Financial Results: The quarterly, half-yearly and yearly financial results of the Company are generally published in two newspapers i.e. 'Financial Express' (English) & 'Jansatta' (Hindi), and are also submitted to National Stock Exchange of India Limited ('NSE') within the statutory time period from the conclusion of the Board Meeting(s) at which these are considered and approved.

Other Information: The Company discloses to the stock exchange, all information required to be disclosed under Regulation 30 read with Part 'A' and Part 'B' of Schedule III of the SEBI Listing Regulations, 2015, including material information having a bearing on the performance/ operations of the Company and other price sensitive information. All information is being filed electronically on the online portal of NSE's Electronic Application Processing System (NEAPS).

Website: The Company's website https://shrirampistons.com/investors-guide-2/ contains a separate section "Investor's Guide" where information for shareholders is available. The Quarterly/Annual Financial Results, annual reports, investors/ analysts presentations, investor forms, stock exchange information, shareholding pattern, corporate governance, corporate benefits, polices, investors' contact details, updated credit ratings, etc., are posted on the website in addition to the information stipulated under Regulation 46 of the SEBI Listing Regulations, 2015.

Analysts/Institutional Investors Presentations: During the year under review, no earnings call or meeting/interaction with analysts/institutional investors occurred. However, on April 5, 2024, the Company hosted its inaugural "Maiden Investors Call" to interact with existing as well as potential investors of the Company. All official news/press releases and presentations made to analysts/institutional investors, as submitted by the Company to the stock exchange (NSE), are readily accessible on the Company's website at https://shrirampistons.com/investors-guide-2/ under "Investor Relations" tab. Additionally, audio recordings and transcripts of post-earnings/quarterly calls (wherever applicable) are diligently submitted to NSE and promptly uploaded on the Company's website in compliance with SEBI Listing Regulations, 2015.

VI. GENERAL SHAREHOLDER INFORMATION

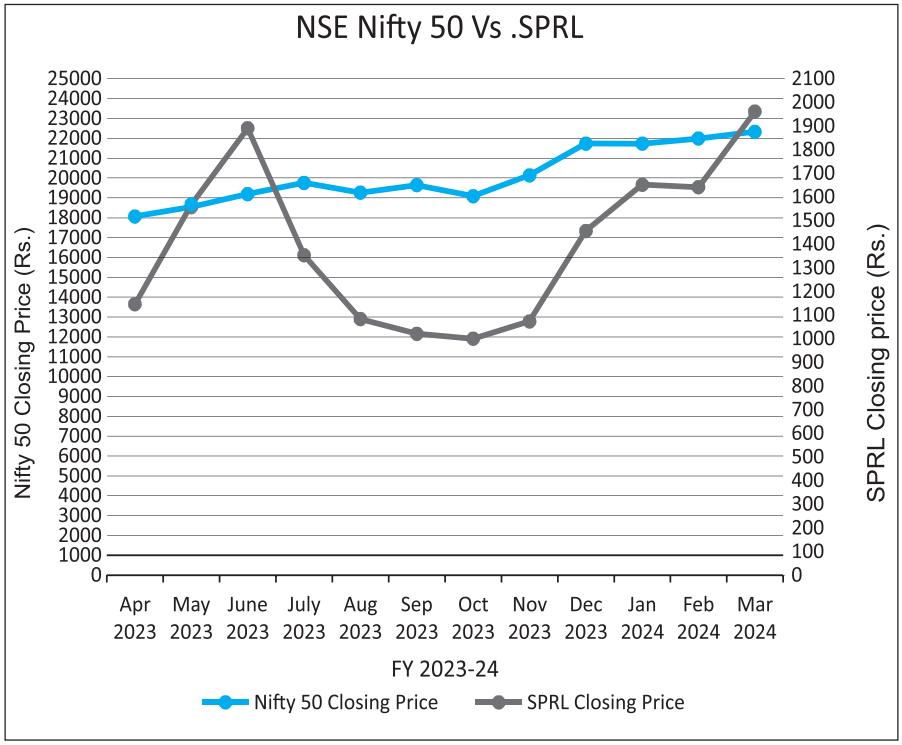
(i)	**Annual General Meeting for FY 2023-24** Date & Day Time Mode & Venue	 **July 24, 2024 (Wednesday)** **4:00 P.M.(IST)** AGM will be convened through Video Conferencing/ Other Audio Visual Means (OAVM) at the Company's Registered Office i.e 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi -110 001 (Deemed Venue)
(ii)	**Financial Year**	1st April to 31st March
(iii)	**Year Ending**	March 31, 2024
(iv)	**Financial Calendar (tentative) for Results of:** Quarter ending June, 2024 Quarter ending September, 2024 Quarter ending December, 2024 Quarter ending March, 2025	 Last week of July, 2024 Last week of October, 2024 Last week of January, 2025 Second week of May, 2025
(v)	**Book Closure date**	18.7.2024 to 24.7.2024 (both days inclusive)
(vi)	**Dividend Payment date**	Final Dividend shall be paid on or before 22.8.2024 (if declared at the 60th AGM to be held on 24.7.2024)
(vii)	**Name and Address of Stock Exchange at which Company's securities are Listed**	**National Stock Exchange of India Limited (NSE)** Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai-400051
(viii)	**Listing fee**	The Company has paid listing fees to NSE and there is no outstanding payment as on date
(ix)	**Stock Code** National Stock Exchange of India Limited (NSE)	SHRIPISTON
(x)	**ISIN of the Company's shares in Demat form**	INE526E01018 (with NSDL and CDSL)

(xi) Stock Market Price Data

Market Price Data: Monthly High and Low quotations on the National Stock Exchange of India Limited (NSE) during each month in the last financial year were as under:

National Stock Exchange of India Limited (NSE)				NSE Nifty 50 Vs. SPRL	
Month	**High (Rs.)**	**Low (Rs.)**	**Total Volume (No. of shares)**	**SPRL Closing price**	**Nifty 50 Closing price**
Pre-bonus					
April 2023	1211.00	1010.00	9,271	1,145.75	18,065.00
May 2023	1686.00	1130.00	89,301	1,567.65	18,534.40
June 2023	2179.00	1459.00	4,17,913	1,890.25	19,189.05
July 2023	2391.80	1163.00	3,90,098	1,352.75	19,753.80
Post-bonus (1:1)					
August, 2023	1565.90	1067.50	3,96,621	1,083.00	19,253.80
September, 2023	1,253.70	1,000.00	2,18,707	1,020.80	19,638.30
October, 2023	1,215.00	948.90	4,74,078	1,000.00	19,079.60
November, 2023	1,248.00	985.00	18,70,381	1,073.65	20,133.15
December, 2023	1,478.75	993.00	1,01,30,495	1,456.00	21,731.40
January, 2024	1,737.00	1,450.00	59,83,231	1,651.60	21,725.70
February, 2024	1,866.95	1,590.05	48,54,280	1,640.50	21,982.80
March, 2024	2,020.00	1,410.10	38,70,065	1,960.65	22,326.90

(xii) Performance of Share price of the Company in comparison to the NSE-Nifty 50



(xiii) The Company's shares were not suspended from trading during the financial year under review.

(xiv) Registrar and Share Transfer Agents

Name and address: Alankit Assignments Limited
Alankit House, 205-208, Anarkali Complex,
Jhandewalan Extension, New Delhi – 110 055,
Ph. No. 011-42541234 and Fax No.: 011-42541201
E-mail : info@alankit.com
Website: https://www.alankit.com/

(xv) Place for Acceptance of documents

Documents will be accepted at:

Alankit Assignments Limited (Company's RTA)
Alankit House, 205-208, Anarkali Complex,
Jhandewalan Extension, New Delhi – 110 055,
Ph. : 011-42541234 and Fax No. 011- 42541201

Shriram Pistons & Rings Limited
Registered Office: 3rd Floor, Himalaya House,
23, Kasturba Gandhi Marg,
New Delhi-110 001
Ph.: 011-23315941, Fax: 011-23311203
E-mail:compliance.officer@shrirampistons.com

(xvi) Share Transfer System

Trading in equity shares of the Company through the recognized stock exchange(s) is permitted only in dematerialised form. Request for transmission/dematerialisation of shares in physical form is normally processed within 12 to 15 days from the date of receipt if the documents are complete in all respect.

The Securities and Exchange Board of India (SEBI) with effect from 1st April 2019, has barred the physical transfer of shares of listed companies and mandated transfers only in demat mode.

Further, in terms of Regulation 40(1) of SEBI Listing Regulations, 2015, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form. Pursuant to the SEBI Circular dated January 25, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialization request within 120 days, then the Company shall credit those shares in the the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to the Suspense Escrow Demat account on submission of necessary documentation.

(xvii) Distribution of Shareholding

(a) Class-wise Distribution of Equity Shares as of March 31, 2024

Class of Shares	Distribution of Shareholding	Number of shareholders	Percentage of shareholding
Equity Shares	**Upto 500**	34,251	5.24
	501-1000	1,002	1.72
	1001-2000	466	1.57
	2001-3000	142	0.81
	3001-4000	82	0.66
	4001-5000	73	0.76
	5001-10000	158	2.50
	10001 and above	117	86.74
	Total	**36,291**	**100**

(b) Shareholding Pattern as of March 31, 2024

S. No	Particulars	Number of shares	Percentage
1.	Promoter and Promoter Group	2,05,94,106	46.75
2.	Insurance Companies	37,28,672	8.46
3.	Mutual Funds/Alternate Investment Funds	17,98,868	4.09
4.	Foreign Portfolio Investor (Category I & II)	5,92,792	1.35
5.	Foreign Bodies Corporate	93,84,114	21.30
6.	Indian Body Corporate	15,09,550	3.43
7.	Individuals	57,29,137	13.00
8.	**Any other:**		
	Non Residents	2,53,454	0.58
	Clearing Members	1,43,548	0.33
	HUF	2,80,186	0.64
	IEPF	34,940	0.07
	Employees	457	-
	Total	**4,40,49,824**	**100.00**

(xviii) Dematerialization of shares and liquidity

Trading in the Equity Shares of the Company is permitted only in dematerialized form by all categories of Investors. The electronic holding of the shares by members comprises 89.34% (previous year – 78.68%) of the paid-up equity share capital of the Company as of March 31, 2024, held through National Securities Depository Ltd. (81.88% holding) and Central Depository Services (India) Ltd. (7.46% holding). ISIN allotted to the Company's equity shares is INE526E01018.

(xix) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion dates and likely impact on equity.

As of 31.3.2024, the Company has no outstanding GDR/ADR or any other convertible instruments.

(xx) Corporate Identification Number: L29112DL1963PLC004084

(xxi) Plant Location: The Company's plants are located at: -

(a) A-4 & A-5, Industrial Area, Meerut Road, Ghaziabad, Uttar Pradesh - 201003, India
(b) B-7, Site I, Industrial Area, Bulandshahr Road, Ghaziabad, Uttar Pradesh – 201009, India
(c) SP-1/892 & 893, RIICO Industrial Area, Pathredi, District Alwar, Rajasthan – 301707, India
(d) Assembly units are located at Gurugram, Pune, Hosur, Karsanpura and Sahibabad, India

(xxii) Investors' correspondence may be addressed to:

Company Secretary
Shriram Pistons & Rings Limited
3rd Floor, Himalaya House,
23, Kasturba Gandhi Marg, New Delhi – 110 001
Ph.: 011-23315941, Fax: 011-23311203
E-mail:compliance.officer@shrirampistons.com

Registrar & Share Transfer Agents
Alankit Assignments Limited (Company's RTA)
Alankit House, 205-208, Anarkali Complex,
Jhandewalan Extension, New Delhi – 110 055,
Ph.: 011-42541234 Fax No. 011-42541201
E-mail: info@alankit.com

(xxiii) Credit ratings obtained by the Company:

The Company, during the financial year 2023-24, has obtained credit ratings from India Ratings and Research (Ind-Ra) (a Fitch Group Company) for its credit facilities, the details of which are as follows:

Instrument Type	Maturity Date	Rating/ Outlook	Rating Action
Long-Term Issuer Rating	-	IND AA/ Stable	Affirmed
Fund-based working capital limit	-	IND AA/Stable	Affirmed
Non-fund-based working capital limit	-	IND A1+	Affirmed
Fixed Deposit	1-2 years	IND AA/Stable	Affirmed
Term loan	September 2028	IND AA/ Stable	Affirmed

The above ratings have been assigned/ affirmed/ re-affirmed by the Ind-Ra for the financial year ended March 31, 2024. The same is also available on the Company's website at https://shrirampistons.com/investors-guide-2/.

(xxiv) Disclosures with respect to demat suspense account/ unclaimed suspense account

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, 2015, details of equity shares in the suspense account are as follows:

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as of April 1, 2023	-	-
*No. of shareholders and shares which were transferred to "unclaimed suspense account" in lieu of bonus issue (Record date 24.7.2023)	66	46,95,949
Shareholders who approached the Company for the transfer of shares from suspense account during the year	4	46,92,096
Shareholders to whom shares were transferred from the suspense account during the year	4	46,92,096
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2024	62	3,853
*Note : * During the year under review, the Company made Bonus Issue (Ratio 1:1). As per SEBI guidelines, Company could only issue shares in demat form. Hence bonus shares issued to shareholders holding shares in physical form were directly credited to the Company's demat suspense account as shown above.*		

The voting rights on the shares outstanding in the suspense account as of March 31, 2024, shall remain frozen till the rightful owner of such shares claims the shares.

(xxv) Online Dispute Resolution Portal

SEBI vide its Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated 31st July 2023 (subsumed as part of the SEBI Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated 28th December 2023) have issued a Circular for online resolution of disputes in the Indian securities market.

With the said Circular, the existing dispute resolution mechanism in the Indian securities market is being streamlined under the aegis of Stock Exchanges and Depositories by expanding their scope and establishing a common Online Dispute Resolution Portal (ODR Portal) which harnesses online conciliation and online arbitration for the resolution of disputes arising in the Indian securities market.

The said Circular, inter alia, details about the following key aspects:

(i) Investors, listed companies, specified intermediaries and regulated entities have been covered under the ambit of ODR Portal;

(ii) Introduction of a common ODR Portal;

(iii) Process for initiation of the dispute resolution process on ODR Portal;

(iv) Procedure for conciliation and arbitration, its form of proceedings and fees & charges thereto; and

(v) Roles and responsibilities of Market Infrastructure Institutions like Stock Exchanges and Depositories and Market Participants like listed entity and RTA.

The aforesaid Circular issued by SEBI in this regard can be accessed on the Company's website at https://shrirampistons.com/investors-guide-2/ under "Online Dispute Resolution (ODR) Portal" tab. Further, the shareholders can access the ODR Portal at https://smartodr.in/login.

VII. DISCLOSURES

(i) Related Party Transactions

All contracts/arrangements/transactions entered into by the Company with related parties during the financial year 2023-24, were in the ordinary course of business and on an arm's length basis. The related party transactions undertaken by the Company complied with the provisions set out in the Act, read with the rules issued thereunder and Regulation 23 of the SEBI Listing Regulations, 2015. The details of the related party transactions are set out in the Notes to Financial Statement forming part of this Annual Report.

During the financial year 2023-24, the Audit Committee has approved related party transactions along with granting omnibus approval valid for a period not exceeding one year in line with the policy of the Company on materiality of Related Party Transactions and dealing with related party transactions and the applicable provisions of the Act, read with the Rules issued thereunder and the SEBI Listing Regulations, 2015 (including any statutory modification (s) or re-enactment (s) thereof for the time being in force).

The Audit Committee reviews on a quarterly basis the details of related party transactions entered into by the company pursuant to the omnibus approval given. The Company had not entered into any materially significant related party transaction and none of the related party transactions entered into have any potential conflict with the interest of the Company. The Policy on the materiality of Related Party Transactions and on dealing with such Related Party Transactions as approved by the Board of Directors has been uploaded on the Company's website at https://shrirampistons.com/. As per the SEBI Listing Regulations, 2015, the Company has also submitted the disclosures of Related Party transactions to the Stock Exchanges in the prescribed format and also published it on the website of the Company.

(ii) No penalties or strictures were imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to capital markets, during the last three years.

(iii) The Company has established the Vigil Mechanism/Whistle Blower Policy of the Company in line with Section 177(9) & (10) of the Act and in accordance with Regulation 22 of SEBI Listing Regulations, 2015 and other applicable SEBI Regulations, enabling employees to report insider trading violations as well as reporting of instances of leak

of Unpublished Price Sensitive Information and has established the necessary vigil mechanism for directors and employees to report their genuine concerns. No personnel have been denied access to the audit committee. This mechanism provides for adequate safeguards against the victimization of director(s) /employee (s) or any other person, who avail the said mechanism and also provides for direct access to the Chairman of the audit committee in exceptional cases. The policy with the name and address of the Chairman of the Audit Committee has been communicated to the employees by uploading the same on the website of the Company. The employees can directly contact the Chairman of the Audit Committee on the email address as mentioned in the 'Vigil Mechanism/Whistle Blower Policy' uploaded on the Company's website at https://shrirampistons.com/ During the financial year 2023-24, the Company has not received any instances of genuine concerns from Directors or employees.

(iv) The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations, 2015.

(v) The Company has complied with all the mandatory requirements as applicable to it along with the compliance with the requirements of Part C (sub paras 2 to 10) of Schedule V of the SEBI Listing Regulations, 2015.

(vi) Details of Compliance with Mandatory Requirements & adoption of the non-mandatory requirement/Discretionary Requirements as specified in Part E of Schedule II:

(a) Mandatory Requirements – All requirements have been complied with.

(b) Non-mandatory requirements:

- The Board of Directors of the Company, in their meeting held on 4.8.2022 had approved a revision in payment towards shared usage for office at residence for Chairman w.e.f. 1.7.2022.
- The Internal Auditors of the Company i.e. Ernst & Young, RSM Astute and the In-House Internal Audit Team have direct access to the Audit Committee and present its internal audit report to the Audit Committee.
- During the year under review, there is no audit qualification on the Company's financial statement. The Company continues to adopt best practices to ensure the regime of financial statements with unmodified audit opinion.

(vii) The Senior Management of the Company has made disclosures to the Board of Directors confirming that no material, financial and commercial transactions, have been entered into by them with the Company, where they have personal interest, which could have potential conflict of interest with the Company at large.

(viii) The Company has not adopted any alternative accounting treatment prescribed differently from the Accounting Standard (AS)/ Indian Accounting Standard (IND AS) laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

(ix) The Company has a Risk Management Committee for the risk assessment and to decide on minimization procedures. These procedures are periodically reviewed by the Risk Management Committee to ensure that executive management controls risk through means of a properly defined framework.

(x) Disclosure on Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The disclosure pertaining to exposure and Commodity risk is not applicable to the Company as no Commodity that is being dealt with is material.

To mitigate the risk of adverse or volatile exchange rates, the Company takes all possible steps to mitigate it by hedging of foreign exchange.

(xi) During the year, the Company has not raised any funds through preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of the SEBI Listing Regulations, 2015.

(xii) A certificate has been received by the Company from PG and Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has 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 statutory authority(ies). (Annexed herewith as part of the report)

(xiii) There have been no instances in the Company, where the Board has not accepted any recommendation of any committee of the board which is mandatorily required, during the financial year 2023-24.

(xiv) Walker Chandiok & Co, LLP, Chartered Accountants (ICAI Firm Registration No. 001076N/N500013) have been appointed as the Statutory Auditors of the Company. The details of fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor are part of, is given below:

S.No.	Name of the Entity	Relationship with Shriram Pistons & Rings Ltd.	Details of services	Amount (Rs. Million)
1	Shriram Pistons & Rings Limited	-	Audit Fees	1.80
			Out of Pocket Expenses	0.57
			Limited Review/ Certifications	2.92
2	SPR Engenious Limited	Subsidiary (Wholly owned)	Audit Fees	0.23
			Out of Pocket Expenses	0.02
			Limited Review/ Certifications	0.23
3	SPR EMF Innovations Private Limited *(Formerly EMF Innovations Private Limited)*	Subsidiary (Step-down)	Audit Fees	0.35
			Out of Pocket Expenses	0.03
			Limited Review/ Certifications	0.30
4	SPR Takahata Precision India Private Limited *(Formerly Takahata Precision India Private Limited)*	Subsidiary (Step-down)	Audit Fees	1.40
			Out of Pocket Expenses	0.20
			Limited Review/ Certifications	-

(xv) The Company has zero tolerance for sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed there under. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary trainees) are covered under this policy. The Company has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a) Number of complaints filed during the financial year: Nil

b) Number of complaints disposed of during the financial year: Nil

c) Number of complaints pending as on end of the financial year: Nil

(xvi) Subsidiary Companies: Regulation 24 of the SEBI Listing Regulations, 2015

The Audit Committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the Board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

During the year under review, "SPR Engenious Limited" (a wholly owned subsidiary) was classified as the "material subsidiary" in terms of Regulation 16(1)(c) & 24(1) of SEBI Listing Regulations, 2015. However, based on the financial statements for the FY 2023-24, SPR Engenious Limited does not qualify to be a "material subsidiary", as per Regulation 24(1) of SEBI Listing Regulations, 2015, as on date of this report.

Policy for determining Material Subsidiaries and Policy on Related Party Transactions is available on the Company's website www.shrirampistons.com under the link "Investors Guide".

(xvii) Details of Material Subsidiaries of the Company, including the date and place of incorporation and the name and date of appointment of statutory auditors of such subsidiaries.

Name of Subsidiaries	Date and Place of incorporation	Name of Statutory Auditors	Date of Appointment
SPR Engenious Limited New Delhi, India	26.9.2022	Walker Chandiok & Co, LLP	4.7.2023

(xviii) Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested:

During the year under review, the Company had made Loans, Advances, Guarantees or Investments to companies in which directors are interested, details of which are as follows:

(Amount in Rs. Million)

Name of Companies	Nature of Transactions	Loans	Investment
SPR Engenious Limited (SEL)	Equity Infusion	-	2300.00
SPR Engenious Limited (SEL)	Inter Corporate Debt (ICD)	148.40*	-
SPR EMF Innovations Private Limited (SPR-EMFI)	Inter Corporate Debt (ICD)	20.00*	-
SPR Takahata Precision India Private Limited (SPR-TPIPL)	Corporate Gurantee	1100.00**	-
*Note: *During the year, the aforesaid ICD was re-paid by SEL and SPR-EMFI, hence ICD stands Nil as on March 31, 2024.* *** During the year, the Board of Directors of the Company had approved to provide a Corporate Guarantee on behalf of SPR-TPIPL, in favour of HDFC Bank Limited for securing the term loan facility availed by SPR-TPIPL. However, the letter of guarantee was executed on April 2, 2024.*			

(xix) No agreements of the nature as stated in Clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations, 2015, have been entered into.

VIII. CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct ("Code") for all board members and senior management personnel of the Company. The said Code incorporated the duties of directors including independent directors as laid down in the Act and is available on the website of the Company under the link https://shrirampistons.com/investors-guide-2/.

All board members and senior management personnel have affirmed the compliance with the Code applicable to them during the year ended on 31.3.2024. The Annual Report of the Company contains a Declaration by the Managing Director in terms of SEBI Listing Regulations, 2015, based on the affirmations received from the board members and senior management personnel.

IX. INSIDER TRADING

The Company has in place a Code of Conduct for the Prevention of Insider Trading (Code of Conduct to Regulate Monitor and Report Trading by Designated Persons) and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015 (Regulations).

Web link for Code of Conduct for Prevention of Insider Trading & Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is https://shrirampistons.com/investors-guide-2/.

The Code of Conduct for Prevention of Insider Trading lays down guidelines advising the management, staff and other connected persons, and procedures to be followed and disclosures to be made by them while dealing with the shares of the Company and cautioning them of the consequences of violations.

Pursuant to the amendments made by SEBI in the said Regulations, the Company has also adopted Procedure of Inquiry in Case of Leak of Unpublished Price Sensitive Information through its policies (UPSI). The policy is formulated to maintain ethical standards in dealing with sensitive information of the Company by persons who have access to UPSI. The rationale of the policy is to strengthen the internal control systems to ensure that the UPSI is not communicated to any person except in accordance with the Insider Trading Regulations. The Policy also provides an investigation procedure in case of leak/ suspected leak of UPSI.

X. RECONCILIATION OF SHARE CAPITAL AUDIT

The Secretarial Auditor of the Company carried out a Reconciliation of Share Capital Audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL)(collectively referred to as 'Depositories') and the total issued and listed equity share capital. The audit report confirms that the total issued and paid-up capital is in agreement with the total number of shares in physical form and dematerialized form held with NSDL and CDSL. The said Audit Report was disseminated to the stock exchange(s) on quarterly basis well within the stipulated time limit as prescribed in this regard.

XI. SUBMISSION OF QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE

The Company has submitted a quarterly compliance report on corporate governance, duly signed by the Company Secretary & Compliance Officer of the Company, to the stock exchange i.e. NSE wherein the shares of the Company are listed and was also placed before the Board of Directors of the Company.

XII. CEO AND CFO CERTIFICATION

As required under Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations, 2015, the Managing Director & CEO, and Chief Financial Officer of the Company have given appropriate certifications for the financial year 2023-24 and the same was placed before the Board of Directors of the Company in its meeting held on 13.5.2024.

XIII. TRANSFER OF UNCLAIMED DIVIDEND/SHARES TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to IEPF.

Further, all the shares in respect of which the dividend has remained unclaimed for seven consecutive years or more from the date of transfer to the unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends reminders to the shareholders to claim their dividends in order to avoid the transfer of dividends/shares to the IEPF Authority. The details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website https://shrirampistons.com/investors-guide-2/ .

The details of unclaimed dividends and shares transferred to IEPF during FY 2023-24 are as follows:

Financial Year	Amount of unclaimed dividend transferred	No. of shares transferred
2015-16 (Final Dividend)	Rs. 35,476/-	394*
2016-17 (Interim Dividend)	Rs. 67,782/-	NIL
*Note: *197 equity shares were transferred to IEPF Authority on 4.4.2023. Further, pursuant to the Bonus Issue during FY 2023-24, an additional 197 shares were also transferred to the IEPF Authority in lieu of benefits arising out of such bonus issue.*		

Process for claiming shares & dividend from IEPF

The claimants are advised to first approach the Company for an entitlement letter along with all the required documents before filing of claim application with the IEPF Authority.

Accordingly, once the Company has received and verified all the requisite documents, it will then issue an entitlement letter duly signed by the Nodal Officer of the Company along with all the required details. The claimants shall thereafter file web form IEPF-5 with the IEPF Authority along with an entitlement letter and other supporting documents.

The claimants shall then submit the self-attested copy of form IEPF-5, its acknowledgment, and duly executed Indemnity Bond in an envelope marked as "Claim for refund from IEPF Authority" at the registered office address of the Company in the name of the "Nodal Officer of the Company", to enable the Company to file the e-verification report of the claim within the prescribed timeline of 30 days.

The said process reduces the instance of claim applications being rejected by the Company/IEPF Authority on account of incomplete and/or non-receipt of required documents.

Details of Nodal Officer:

The details of the nodal officer appointed by the Company under the provisions of the Act and IEPF Rules, 2016 are given below and the same is disseminated on the website of the Company https://shrirampistons.com/investors-guide-2/.

Name of the Company Secretary designated as Nodal Officer	Mr. Pankaj Gupta
Phone No.	+91 11-2331 5941
Email ID	pankaj.gupta@shrirampistons.com
Address	Registered Office: 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi -110 001

XIV. AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

Auditor's Certificate on compliance of conditions of Corporate Governance is enclosed herewith and forms part of this report.

For and on behalf of the Board of Directors

(Pradeep Dinodia)
Chairman
DIN: 00027995

New Delhi
May 13, 2024

DECLARATION ON COMPLIANCE OF CODE OF CONDUCT

In compliance of Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have laid down a Code of Conduct to be observed and implemented by all Directors and Senior Management Personnel of the Company in their official day-to-day activities.

In compliance of Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Directors and Senior Management Personnel of the Company have affirmed to the Company that they have complied and implemented the Company's Code of Conduct in discharging their official day-to-day activities for the F.Y.E. March 31, 2024.

New Delhi
May 13, 2024

(Krishnakumar Srinivasan)
Managing Director & CEO
DIN: 00692717

Annexure A

CERTIFICATE ON CORPORATE GOVERNANCE COMPLIANCE

To
The Members
Shriram Pistons & Rings Ltd.
(CIN: L29112DL1963PLC004084)
3rd Floor, Himalaya House,
23 Kasturba Gandhi Marg,
New Delhi-110001

We have examined the compliance of conditions of corporate governance by Shriram Pistons & Rings Ltd. ("the Company") as stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for the financial year ended March 31, 2024.

Management's Responsibility:

The compliance of the conditions of corporate governance is the responsibility of the Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility:

Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring the compliance with conditions of the Corporate Governance. This is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations for the year ended on March 31, 2024.

We further state that such compliance 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.

Restriction on Use:

The certificate is addressed and provided to the Members of the Company solely for the purpose to enable the Company to comply with the requirements of the SEBI Listing Regulations and it should not be used by any other person or for any other purpose.

Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For PG & Associates
(Company Secretaries)
Unique Code No.: S2004UP073600

Preeti Grover
(Proprietor)
FCS: 5862, C.P. No.: 6065
Peer Review No. 772/2020

Place: New Delhi
Date: May 13, 2024

UDIN: F005862F000373482

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

Shriram Pistons & Rings Limited
(CIN: L29112DL1963PLC004084)
3rd Floor, Himalaya House,
23 Kasturba Gandhi Marg,
New Delhi-110001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Shriram Pistons & Rings Ltd. having CIN L29112DL1963PLC004084 and having registered office at 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi 110001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Director Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other statutory authority.

S. No.	Name of Director	DIN	Date of Appointment in Company
1.	Shri Pradeep Dinodia	00027995	16.05.2003
2.	Shri Hari Shanker Bhartia	00010499	27.01.2009
3.	Ms. Ferida Avnish Chopra	08415847	30.03.2019
4.	Ms. Meenakshi Dass	00524865	28.03.2009
5.	Shri Krishnakumar Srinivasan	00692717	11.02.2020
6.	Shri Sascha Putz#	08645364	30.03.2021
7.	Shri Alok Ranjan##	08254398	30.03.2019
8.	Shri Inderdeep Singh	00173538	25.03.2008
9.	Shri Shinichi Unno	09189521	31.05.2021
10.	Shri Luv Deepak Shriram	00051065	01.04.2009
11.	Shri Klaus Semke	10133032	01.05.2023
12.	Shri Alexandru Vladoi (Alternate to Klaus Semke)	10381503	06.11.2023
13.	Shri Masaaki Yamaguchi###	07106759	06.04.2022
14.	Yasunori Maekawa### (Alternate to Masaaki Yamaguchi)	06952173	08.02.2023

ceased to be alternate director to Shri Klaus Semke w.e.f. closing hours of July 28, 2023.

##Ceased as Director w.e.f. March 29, 2024 due to completion of his tenure as Non-Executive Independent Director.

Resigned w.e.f. closing hours of March 31,2024.

Ensuring the eligibility of every Director for the appointment/continuity on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification.

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

For PG & Associates
(Company Secretaries)
Unique Code No.: S2004UP073600

Preeti Grover
(Proprietor)
FCS: 5862, C.P. No.: 6065
Peer Review No. 772/2020
UDIN: F005862F000373471

Place: New Delhi
Date: May 13, 2024

ANNEXURE - II TO BOARDS' REPORT

REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENT

The growth of the domestic automobile market is dependent on the growth of the economy and consequent increase in income levels.

Production of the following vehicle segments registered growth during 2023-24 as under: -

Vehicle Segment	Production Growth (in %)
Passenger Vehicles	7%
Medium & Heavy Commercial Vehicles	1%
Light Commercial Vehicles	48%
Two wheelers	10%

However, in the case of tractors and small commercial vehicles, there was a contraction in demand.

The Company's exports increased from Rs. 4,841 Million to Rs. 5,182 Million. The trend of increasing exports is expected to continue in this year as well. However, the ongoing geopolitical issues including Russia-Ukraine and Israel-Hamas, high interest rates, issues in the Red Sea & Suez Canal and foreign exchange issues may further impact the export.

2. OPPORTUNITIES

The automobile sector in India is poised for continued growth in the FY 2024-25 with forecasts suggesting that all the vehicle segments will experience growth. The Government's focus on enhancing infrastructure, fortifying port facilities, revitalizing the agricultural sector and steadfastly advancing manufacturing prowess will act as a catalyst for growth soon.

Despite facing challenges such as elevated fuel prices, rising interest rates and the ongoing geopolitical conflict, the Indian automotive sector remains resilient. Looking ahead, the medium to long-term growth prospects stand optimistic, with the automotive component industry expected to mirror the growth in automobile production and the aftermarket segment.

The demand for personal mobility and public transport is persistently strong. Factors like normal monsoon patterns and improved access to finance, particularly in rural areas, are expected to bolster demand.

Passenger Vehicle and two/three wheelers segments are expected to register good growth. However, the commercial vehicle and tractor segment is expected to register marginal growth.

The Company is closely working with key OEMs to improve its market share by providing technology solutions. It is also focusing on improving its distribution network in the after-market and has a presence in all segments of the market including Commercial Vehicles, Cars/SUVs, Two & Three wheelers, Tractors, Off-highway vehicles and Industrial Engines for both OEMs and After Market.

The Company is also actively pursuing opportunities in the non-automotive segment like compressors, marine engines, snowmobile applications, etc. to de-risk its operations.

The Company is taking significant steps to enhance sales of its recently acquired companies i.e. SPR EMF Innovations Private Limited and SPR Takahata Precision India Private Limited. The Company is also actively working on identifying further suitable opportunities for diversification in the areas that are agnostic to the Internal Combustion Engine(ICE).

Exports are likely to increase this year as well, as India has emerged as a prominent auto exporter and based on China plus one strategy, the growth momentum is expected to continue in the near future. The Company is supplying its products to leading global OEMs with the active assistance of its Technology Partners and also established an effective distribution channel for sales in the Aftermarket in various countries. However, other global headwinds and geopolitical challenges leading to uncertainties will be critical factors for sales in the export market.

3. THREATS

The economic landscape of India showed signs of resilience in the fiscal year 2023-24. However, the year brought challenges with rising interest rates and high inflation levels, which cast a shadow over market sentiments. As the company looks ahead to FY 2024-25, these factors remain key concerns. The Company recognizes the potential impact of volatile exchange rates,

driven by global economic uncertainties and intense competition, on the Company's profitability in the upcoming year. To mitigate this risk, the company is implementing comprehensive strategies to minimize the impact of forex fluctuations on the Company's operations.

In response to the evolving customer expectations, the Company is proactively undertaking various initiatives and time-bound actions. These include a relentless focus on zero-defect quality, enhanced traceability, aggressive digitization, streamlined automation, and rigorous cost-reduction measures across all facets of the Company.

While the Government's push for EVs through various incentives is encouraging, several challenges persist. These include inadequate charging infrastructure,limited facilities for battery & motor manufacturing, high-cost structures for EVs and safety concerns. These factors could collectively slow down the adoption of e-mobility, especially in the Passenger and Commercial Vehicle segments.

The Company is closely monitoring e-mobility trends and collaborating with global partners to stay ahead in this evolving landscape from a technology and supply standpoint.

In anticipation of the shift towards e-mobility, the Company has strategically invested in this sector and continues to seek out suitable products and technology partners for diversification into adjacent markets. These investments are made judiciously, with a focus on long-term sustainability and growth.

4. SEGMENT-WISE/ PRODUCT-WISE PERFORMANCE

The Company deals principally in only one segment i.e. automotive components. Therefore, segment-wise performance is not applicable.

5. OUTLOOK

The FY 2024-25 outlook for the automobile sector is intricately tied to various factors, including the geopolitical landscape and persistent inflation. Despite these challenges, the long-term forecast for automobile production is promising, driven by rising demand for personal mobility, rapid urbanization, improved road infrastructure, favourable monsoon, ongoing infrastructure upgrades and a focus on rural development.

The Company's strategy revolves around the core pillars:

Market Expansion: The Company aims to further strengthen its position in the domestic market by expanding the Company's product portfolio by winning new business in non-automotive segments and enhancing its distribution network. Additionally, the Company is exploring opportunities for geographic expansion, particularly in emerging markets where demand for automotive components is on the rise. The Company continues to work in the Aftermarket to grow its product profile and ensure deeper penetration.

Innovation and Technology: The Company remains committed to innovation and technology advancement, with a focus on developing products that are aligned with the industry's shift towards electric as well as greener fuel solutions like CNG, LNG, H-CNG, other flex fuels and H_2 as a fuel. By staying at the forefront of technological advancements, the Company aims to meet the evolving needs of customers and maintain its competitive edge. The Company will continue to invest in advanced manufacturing technologies and processes, allowing the Company to offer cutting-edge solutions that meet the evolving needs of customers.

Solidifying relationships: The Company's strong relationships with global OEMs have been a cornerstone of its success. These partnerships have bolstered the Company's position in the domestic market and also opened up avenues for growth in the international arena. The Company's reputation for quality, reliability and innovation has been instrumental in maintaining and nurturing these relationships, positioning us as a preferred supplier for global OEMs.

Operational Excellence: The Company is continuously striving for operational excellence by optimizing the manufacturing processes, reducing costs and improving efficiency. By streamlining the operations, the Company aims to enhance its competitiveness and drive profitability.

The Company's strengths, coupled with a strategic focus on market expansion, innovation and operational excellence, position it well for sustained growth and success in the dynamic automotive components industry.

Sustainable Development: The Company is committed to being a responsible corporate citizen and has embedded sustainability in every realm of its value chain. The Company has achieved several milestones in its ESG journey, like three of the plants having the status of zero liquid discharge and state-of-the-art ETP & STP. Further, the Company has achieved a 20% reduction in Scope II emissions, a 20% increase in the mix of renewable energy, solar power and wind power, and a 30% increase in the use of recycled material.

6. RISK & CONCERNS

Risk is an intrinsic component of any business endeavour. The Company operates within a fiercely competitive landscape characterized by constant innovation and varying resource availability among players. The cost of raw materials and inflationary pressures further compound the challenges, yet adept management of raw material procurement has helped mitigate manufacturing costs.

The automotive sector faces escalating raw material prices, particularly for steel, aluminium, copper and precious metals, stringency in regulation, technology up-gradation, discerning customer demand and disintegration of global barriers which could impede growth and pose a threat to Company's margins.

Moreover, external factors such as elevated automobile & fuel prices, rising interest rates and global economic headwinds are dampening demand. Nevertheless, favourable government policies aimed at promoting semiconductor manufacturing are expected to bolster the industry.

Addressing these challenges, the management has implemented proactive measures to enhance liquidity and boost profitability. These include productivity enhancements, rejection reductions, digitization of business processes and other cost-saving initiatives.

Despite these challenges, the medium to long-term outlook for the automotive sector remains positive, driven by the increasing preference for personal mobility. The Company has developed a robust risk mitigation plan, diversifying the Company's presence across all market segments – OEMs and Aftermarket – in both domestic and export markets, across all segments.

Supported by the Company's technology partners, the Company is well-equipped to meet customer demands for cutting-edge products and expand its model/variant offerings. The Company's continued investments in world-class technology and manufacturing systems are expected to yield significant benefits in the future.

While acknowledging that risk factors may impact the Company's profitability, the Company is confident that they do not pose an existential threat to the Company.

7 INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has implemented a robust internal control system to authorize, record and report transactions, safeguard assets and prevent unauthorized use or disposal in a timely manner. These controls ensure data & financial information reliability and maintaining asset accountability.

The Audit Committee of the Board reviews significant audit findings, corrective actions and monitors the status of management actions from internal audit reviews. The Company's Internal Audit function in addition to external auditors has continuously strengthened processes for enhanced effectiveness and productivity, including deploying best-in-class tools for analytics in the audit domain, enhancing audit depth, coverage and sharpness.

The Company has an adequate internal financial control system over financial reporting that is operating effectively and provides reasonable assurance regarding all financial and operating functions and compliance with statutory provisions. Detailed business plans, investment strategies, year-on-year reviews, annual financial & operating plans and monthly monitoring are standard practices for all operating and service functions.

Enterprise resource planning, supplier relations management and customer relations management connect various locations, dealers and vendors for efficient information exchange. The Company uses data analytics and IT tools to enhance the scope and effectiveness of the internal audit function.

The Company has in place adequate systems to periodically assess various risks, their likelihood & impact and an action plan to pro-actively mitigate the impact of various risks.

8. FINANCIAL/ OPERATIONAL PERFORMANCE

The Company's revenue from operations during the year ended March 31, 2024 was Rs. 29,537 Million.

Net profit after tax (before OCI) of the Company during the year ended March 31, 2024 was Rs. 4,468 Million.

Earnings per share was Rs. 101.42 in FY 2023-24.

9. HUMAN RESOURCES/ INDUSTRIAL RELATIONS

Human Resources are the cornerstone of the company's success, the Company's value-driven culture, progressive HR policies and investment & empowerment of the people been integral in creating a culture of belonging. The management

recognizes the paramount importance of its workforce and is dedicated to providing developmental opportunities through a variety of training and welfare programs. The Company's commitment is to create an environment that fosters continuous innovation and improvement by recognizing and rewarding employees for their dedicated efforts toward achieving the Company's objectives. Consistent steps are taken to fortify the Management structure, ensuring stability and growth within the organization.

The Company believes that the achievements are the result of the team's collective efforts and therefore, strives to provide a sustainable learning environment from recruitment to retention. The Company's core values include dignity, respect, fairness, transparency and the provision of growth opportunities for all employees. The company strongly encourages internal movements, enabling employees to explore diverse career opportunities and contribute to the development of a robust talent pipeline.

The Company is an equal opportunity employer and has an equal opportunity policy embracing all diversity parameters which include gender, marital status, religion, race/cast, colour, age, ancestry, language socio-economic status, physical appearance, disability and any other category protected by applicable laws.

The Company acknowledges the capabilities, contributions, potential and value of its human capital. The Company upholds the dignity, fundamental freedoms & human rights of its employees, contractors and the communities in which they operate. As a responsible corporate citizen, the Company complies with all applicable laws while respecting human rights.

As of March 31, 2024, the Company had 3887 permanent employees.

10. CHANGES IN KEY FINANCIAL RATIOS ARE AS UNDER:

S. No.	Ratios	Unit	2022-23	2023-24	%age change
I	Debtors Turnover	Times	6.82	6.94	2%
ii	Inventory Turnover	Times	5.67	6.04	6%
iii	Interest Coverage Ratio	Times	22.09	25.15	14%
iv	Current Ratio	Times	2.50	2.32	-7%
v	Debt Equity Ratio	Times	0.19	0.17	-8%
vi	Operating Profit Margin	%	14.87	18.66	25%
vii	Net Profit Margin	%	11.55	15.36	33%

Return on Net worth of the Company during Financial Year 2023-24 was 23.25% as compared to 19.96% last year.

CAUTIONARY STATEMENT

The statements made in this Management Discussion and Analysis Report, including projections, expectations, estimates, descriptions of global conditions and government policies are "forward-looking statements" within the meaning of applicable securities laws and regulations, based on data available to the Company. Forward-looking statements inherently involve risks and uncertainties, as they require the Company to make assumptions. Readers are cautioned not to place undue reliance on forward-looking statements, as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements.

Important factors that could affect the Company's operations include, economic conditions affecting demand/supply & price conditions in domestic & overseas markets, changes in government regulations, tax laws, other statutes and incidental factors.

Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the report on Management's Discussion and Analysis forming part of the Boards' Report for FY 2023-24.

ANNEXURE - III TO BOARD'S REPORT

REPORT ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

[PARTICULARS REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014]

A. CONSERVATION OF ENERGY

The Company has always been conscious of the need to conserve energy in its Manufacturing Plants which leads to optimized consumption of non-renewable fossil fuels, energy productivity, climate change mitigation and reduction in operational costs. The Company is working to increase the amount of renewable energy generated in-house and procured from off-site sources.

1. Energy Conservation measures taken during the year:

Energy conservation is an environmentally sustainable and economically viable process and has been a priority focus area for the Company. The following measures were taken during the year 2023-24: -

At Ghaziabad: -

i) Energy saving through Solar Power

ii) Power saving by modification on machines and processes

iii) Replacement of conventional fans with BLDC fans

iv) Energy saving on holding furnaces by removing transformers at specific places and conversion from two-phase electric power to three-phase electric power

v) Usage of EC fans in comfort cooling units

At Pathredi: -

i) Replacement of conventional fans with BLDC fans

ii) Retrofitting of energy-efficient EC fans in comfort air cooling units

iii) Installation of Solar street lights

iv) Usage of PNG to reduce emissions

v) Installation of intelligent evaporator for final water treatment

vi) Contactless temperature monitoring system

vii) Heat recovery for reuse

2. Steps taken by the Company to utilize alternate sources of energy:

The Company plans to continue to source offsite renewable power in line with regulatory policies/frameworks and tariffs in the States where we operate. These efforts will continue to help offset greenhouse gas emissions in the coming years.

The Company has converted 19% of daily energy consumption at one of its plant from thermal to an alternative renewable energy source i.e. solar energy, which is planned to increase to 35% by FY 2024-25. The Company plans to convert 40% of daily energy consumption from thermal to an alternative renewable energy source i.e. solar energy at its other plant.

3. Impact of the above measures:

These measures have resulted and will lead to further improvement in energy efficiency in operations and a reduction in cost of production.

4. Capital Investment on energy conservation equipment: Rs. 13.37 Million.

B. TECHNOLOGY ABSORPTION

In FY 2023-24, the Company continued with its commitment to sustainability and green technologies. The Company is amongst country's most innovative component manufacturers with its R&D facilities getting consistently upgraded to cater to different fuel applications like CNG, LNG, H-CNG, Hydrogen as a fuel and also developing Electrical Powertrain solutions.

1 Efforts, in brief, made towards technology absorption: -

i) Absorption of new technology for diesel pistons /engine valves suitable for gensets, heavy-duty trucks, etc.

ii) Upgrade existing engine testing facility to run on flex fuels. (E85 & E100 blended fuels)

iii) Expanding the current application range to make Nodular Cast Iron Pistons with special features

iv) In-house capacity enhancement for aluminium forged pistons for high- performance 2-wheeler applications (350cc~1000cc) matched with special high diameter thin cross-section rings

v) Developed special Piston Assembly and Engine valves for recreational engines e.g. snow bikes, boats, etc.

vi) Patent awarded for composite coating of chrome for steel rings

vii) Development of Large Dia. Pins (>42 mm dia.) for domestic and exports applications

2. Benefits derived as a result of the above effort:

i) Expand customer base in export and domestic segment

ii) Winning customer confidence & accomplishing the vision of becoming customer preferred supplier

iii) New products with superior technology help improve market share and improve turnover

iv) Motivated team to continue to innovate to sustain market leadership

3. Imported technology:

Technology is being continuously received from Technical Collaborators viz. KS Kolbenschmidt GmbH (Germany), Honda Foundry (Japan) Riken Corporation (Japan) and Fuji Oozx (Japan) under subsisting Technical Collaboration Agreements for the manufacture of Pistons, Piston Rings and Engine Valves.

Details of technology imported during the last three years (reckoned from the beginning of the financial year):

S. No.	Details of technology imported	Year of import	Whether technology has been fully absorbed	Reason for non-absorption of technology, if any
Pistons:				
i	Piston Upgradation Technology	2022-23	No	Under Implementation
Rings:				
i	GNT Technology - Spacer	2020-21	Yes	-
ii	Taper OD Profile for Rails	2020-21	Yes	-
Iii	SSG profile - Spacer	2020-21	Yes	-
iv	SGN treatment - Spacer	2020-21	Yes	-
v	Closed Gap in 0.03 tolerance limit	2022-23	Yes	-
vi	2nd Ring under PVD coating	2022-23	Yes	-
vii	Top Ring with minute gap edge chamfer	2022-23	Yes	-
Engine Valves:				
i	Introduced special alloy for Exhaust valve for high durability in power GEN application	2021-22	Yes	-
ii	Thermo-coupled valves for live temperature measurement	2021-22	Yes	-
iii	Introduced stellite powder for CNG application	2022-23	Yes	-

4. Expenditure on R & D:

Capital/Intangible	:	Rs. 22 Million
Recurring	:	Rs. 227 Million
Total	**:**	**Rs. 249 Million**

Total R&D expenditure as a percentage of total income: 0.82%

C. FOREIGN EXCHANGE EARNINGS & OUTGO

1. Exports:

i) Exports continue to remain the focus area for the Company. The Company made exports worth Rs. 5,182 Million in the year as compared to Rs. 4,841 Million in the previous year.

ii) Several initiatives have been taken for the long term growth of the Company's export to global OEMs and in the aftermarket, in close coordination with its Collaborators.

iii) The Company is targeting to achieve double-digit growth in export levels from the previous year. This will however be determined by the global headwinds and geopolitical challenges.

2. Foreign Exchange earned	-	Rs. 5,275 Million
Foreign Exchange utilized/outgo	-	Rs. 2,609 Million

ANNEXURE - IV TO BOARD'S REPORT

DATA OF EMPLOYEES

[UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014]

1. Particulars of Employees:

Name	Designation	Remuneration (Rs.)	Qualifications	Experience (Years)	Commencement of Employment	Age (Years)	%age of Equity Shares held	Last Employment Held
Sandeep Agrawal	Executive Director & Chief Marketing Officer	28,378,850	B.Sc (Mechanical Engineering), PGDBM	37	April 2021	58	-	Head Network Management and CEO, Gulf Ashley Ltd with Ashok Leyland
Poonam Bharti	Executive Director & Chief HR Officer	26,382,805	B.Sc., Masters in HR & IR	29	March 2018	53	-	Global HR Head, Ranbaxy/ Sun Pharma
Sandeep Kalia	Executive Director	23,555,694	B.E. Mechanical, Diploma in Management	40	July 2015	62	-	Member of Board of Director-Mushashi Auto Parts India Pvt. Ltd
Devendra Mishra	Executive Director	27,630,385	B.E., PGDBM	36	July 2011	59	-	VP-Manufacturing, National Engineering Industries
Rajan Nanda	Executive Director	22,966,605	B.E. Mechanical, MBA Finance & Operations	33	June 2015	55	-	Head Key Account Management (Automotive)- Schaeffler India
Arun Kumar Shukla	Executive Director	24,970,206	B.Tech	37	August 2009	59	-	Vice President - Operations, Uniparts India Ltd.
Prem Prakash Rathi	Executive Director & CFO	23,629,757	FCA, B.Com (Hons.)	25	January 2021	50	-	Chief Financial Officer-Raymond Ltd. (Garmenting Division)
Atul K Khanapurkar	Dy. Executive Director	16,583,832	B.E. (Electronics)	38	March 2019	60	-	Sr. General Manager, Bosch Ltd.
Ashok Sinha	Dy. Executive Director	15,726,658	B.Sc. Engg. (Mechnical), PGDBM, MBA	27	April 2022	48	-	SCM Director - Cummins Engine
Dharmendra Singh	Dy. Executive Director	14,659,546	B.Sc. Engg. (Mechnical)	37	August 1989	58	-	
Luv Deepak Shriram*	Wholetime Director	69,520,330	B.Com	31	May 2014	52	30.30$	Managing Director, Shriram Veritech Solutions Pvt. Ltd.
Krishnakumar Srinivasan*	Managing Director & CEO	88,636,380	B.E. (Mech.), MBA, Diploma in Exports	37	February 2020	58	-	President and Director, Europe and Strategic Business, Bharat Forge Ltd.

Notes:

(i) Year of experience include experience prior to joining the Company.

(ii) All employees are in regular employment.

(iii) Remuneration includes payment of salaries, allowances, expenses on perquisites & contribution to provident fund, gratuity fund, superannuation fund and other benefits on payment basis.

(iv) *Employees on Contract.

(v) $ Mr. Luv D. Shriram (First named shareholder) and Ms. Meenakshi Dass (Second named shareholder) jointly hold 15.14% shares of the Company on behalf of Deepak Shriram Family Benefit Trust.
Ms. Meenakshi Dass (First named shareholder) and Mr. Luv D. Shriram (Second named shareholder) jointly hold 15.14% shares of the Company on behalf of Deepak Shriram Family Benefit Trust.
Mr. Luv D. Shriram (First named shareholder) and Mr. Kush D. Shriram (Second named shareholder) jointly hold 0.00001% shares of the Company on behalf of NAK Benefit Trust.
Mr. Luv D. Shriram also holds 0.02% shares of the Company in his name.
Mr. Luv D. Shriram is a relative of Ms. Meenakshi Dass, who is a Non-Executive Director of the Company.

(vi) There was no employee who was in receipt of remuneration which, in the aggregate, is in excess of that drawn by the Managing Director or Whole Time Director and holds by himself or along with his/her spouse and dependent children, not less than 2% equity shares of the Company.

2. **Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year:**

Name of the Director	Ratio of remuneration to median remuneration of employees (Times)
Mr. Pradeep Dinodia	87.23
Mr. Hari Shanker Bhartia	2.64
Ms. Ferida Chopra	11.10
Ms. Meenakshi Dass	10.09
Mr. Sascha Putz*	-
Mr. Alok Ranjan	11.30
Mr. Inderdeep Singh	11.30
Mr. Shinichi Unno	2.64
Mr. Masaaki Yamaguchi	3.05
Mr. Yasunori Maekawa (Alterante Director to Mr. Masaaki Yamaguchi)	2.44
Mr. Klaus Semke	9.28
Mr. Alexandru Vladoi* (Alterante Director to Mr. Klaus Semke)	-
Mr. Luv Deepak Shriram	140.30
Mr. Krishnakumar Srinivasan	178.88
*were Directors for part of the year in 2023-24, therefore figures are not comparable.	

3. **Percentage increase in remuneration of Directors, CFO, CEO and CS:**

Name of the Director / CFO / CEO / CS	% age increase in remuneration
Mr. Pradeep Dinodia	33.95
Mr. Hari Shanker Bhartia	37.89
Ms. Ferida Chopra	10.00
Ms. Meenakshi Dass	19.05
Mr. Sascha Putz*	-
Mr. Alok Ranjan	9.80
Mr. Inderdeep Singh	5.66
Mr. Shinichi Unno	-40.45
Mr. Masaaki Yamaguchi*	100
Mr. Yasunori Maekawa*	100
Mr. Krishnakumar Srinivasan	27.97
Mr. Klaus Semke*	100
Mr. Alexandru Vladoi*	-
Mr. Luv Deepak Shriram	33.04
Mr. Prem Prakash Rathi	47.40
Mr. Pankaj Gupta	24.28
* were Directors for part of the year 2022-23 or 2023-24, therefore figures are not comparable.	

4. **Percentage increase in the median remuneration of employees in the financial year:** 12.32%

5. **The number of permanent employees on the rolls of Company:**
As of 31.3.2024, the number of permanent employees on the rolls of the Company is 3887.

6. **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:**
The average Percentile Increase in the Salaries of Employees is 11.44%. The average Percentile Increase in Managerial Remuneration is 30.50% due to increased profitability. The remuneration of employees and Managerial Personnel is decided based on the individual performance, Company's overall performance, inflation, prevailing industry trends and benchmark.

7. **Affirmation that the remuneration is as per the remuneration policy of the Company:**
The remuneration is as per the Remuneration Policy of the Company.

ANNEXURE-V TO BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

1. Brief outline on CSR Policy of the Company:

The CSR policy of the Company emphasizes commitment to making a positive impact on society and environment. The Company's policy is to conduct its business responsibly and to improve the quality of life of people, giving preference to local areas around business operations of the Company while creating long term value for all stakeholders. The CSR activities are designed to deliver maximum impact with guiding principles being trust, fairness and care. At its core, the policy aims to integrate responsible business practices into all aspects of operations.

The CSR initiatives of the Company are undertaken as projects or programmes or activities in line with the CSR Policy. During the year ended March 31, 2024, the Company discharged its CSR obligations through projects and programmes in the areas of Healthcare, Education, Environmental Sustainability, Sanitation, Safe Drinking Water, Skill Development & Livelihood, Heritage, Art & Culture preservation, Women Empowerment and promoting Diversity and Inclusion. Priority is given to projects, programs, and activities that support communities including vulnerable and marginalized groups.

By actively engaging in these areas, the Company strive to contribute to the well-being of the communities where it operates while upholding high standards of corporate citizenship. The CSR policy underscores Company's belief that businesses should not only be profitable but also contribute to the greater good of society as a whole.

2. Composition of CSR Committee:

S. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
i)	Mr. Pradeep Dinodia	Chairman (Non-Executive Director)	2	2
ii)	Mr. Inderdeep Singh	Independent Director	2	1
iii)	Ms. Meenakshi Dass	Non-Executive Director	2	2
iv)	Mr. Luv Deepak Shriram	Whole-Time Director	2	2
v)	Mr. Krishnakumar Srinivasan	Managing Director & CEO	2	2

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: https://shrirampistons.com/investors-guide-2/

4. Details of Impact assessment of CSR projects carried out in pursuance of Sub rule(3) of Rule 8 of the Companies(Corporate Social responsibility Policy) Rules, 2014: Not applicable

5. i) Average Net Profit of the Company as per Section 135(5) of the Act: Rs. 2597.92 Million.

ii) Two percent of average net profit of the company as per section 135(5) of the Act: Rs.51.96 Million.

iii) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

iv) Amount required to be set off for the financial year, if any: Nil

v) Total CSR obligation for the financial year (b+c+d): Rs.51.96 Million.

6. **i) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** Rs. 40.97 Million.

ii) Amount spent on Administrative Overheads: Rs.2.35 Million.

iii) Amount spent on Impact Assessment, if applicable: NA

iv) Total amount spent for the Financial Year [(i)+(ii)+(iii)]: Rs.43.32 Million.

v) CSR amount spent or unspent for the Financial Year:

Amount Rs. Million

Total Amount Spent for the Financial Year	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
43.32	8.63	30.4.2024	-	-	-

vi) Excess amount for set off, if any:

S. No.	Particular	Amount (Rs. Million)
i)	Two percent of average net profit of the Company as per sub section (5) of section 135	51.96
ii)	Total amount spent for the Financial Year	43.32
iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

7. a) Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

Amount (Rs. Million)

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years.	Deficiency, if any
					Name of the Fund	Amount	Date of transfer		
i)	2020-21	10.26	4.01	4.01	-	-	-	-	-
ii)	2021-22	9.08	1.94	1.45	-	-	-	0.49	-
iii)	2022-23	2.09	2.09	0.62	-	-	-	1.47	-
	Total	**21.43**	**8.04**	**6.08**	**-**	**-**	**-**	**1.96**	**-**

8. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Years

○ Yes ● No

If Yes, enter the number of Capital assets created/ acquired: Not applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year.

S. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s) Date of creation	Amount of CSR amount spent	Details of entity/ Authority/beneficiary of the registered owner		
				CSR Registration Number, if applicable	Name	Registered address
Not Applicable						

(All the fields should be captured as appearing in the revenue record, Flat No, House No, Municipal Officer/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5): The Implementation of CSR projects is in progress and the balance unspent amount belongs to ongoing projects of the Company and shall be utilized within the time limit as prescribed under Section 135 of the Act read with relevant rules thereunder including any modification(s) thereof from time to time.

May 13, 2024
New Delhi

(Pradeep Dinodia)
Chairman of CSR Committee

(Krishnakumar Srinivasan)
Managing Director & CEO

SHRIRAM®

SPRL's JOURNEY IN CSR

Progress that revolves around giving back to the Society



CSR POLICY

SPRL's policy is to conduct its business responsibly and improve the quality of life of people, while creating long term value for all stakeholders.

CSR ACTIVITIES

The Company Commits to CSR Initiatives In:

- EDUCATION
- SANITATION
- HEALTHCARE
- ENVIRONMENT
- ANY OTHER AREAS AS APPROVED BY THE CSR COMMITTEE/BOARD

CSR PROJECTS/ PROGRAMMES/ACTIVITIES



OLD AGE HOME

Adoption of Old Age Home at Garhmukteshwar to provide comfortable shelter and healthcare for abandoned elderly.



HEALTHCARE

Our company operates six charitable dispensaries and two Mobile Health Units, serving approximately 480 patients daily. Additionally, we've launched a new project, a Charitable Dispensary, which is now operational. We've also dedicated a hospital floor to provide affordable medical treatment to underprivileged patients. Furthermore, we organize Preventive Health Check-up camps, blood donation drives, and yoga camps regularly.


















लाला चरत राम चैरिटेबल डिस्पैन्सरी







EDUCATION

Adoption of Senior Secondary Government Girls School, Tijara, Alwar: Adopted in 2014-15, transformed into a 5-star institution with improved infrastructure, academic performance, and extracurricular participation.

Vocational Training Center for Women: Empowered 450 women with skills for employment or self-employment.

Diploma Courses for 10th/12th Pass Students: Six batches, totaling 426 students, completed certificate courses leading to employment or self-employment opportunities.
















5TH ISF NATIONAL KARATE CHAMPIONSHIP 2023
Organised By : Indian Sports Federation
Recoginized By: Fit India Ministry Of Youth Affairs & Sports Government Of India
Date: 13th & 14th May 2023
BASANT











ENVIRONMENT



SANITATION











RURAL DEVELOPMENT

ADOPTION OF VILLAGE

The company has adopted a village, contributing to its development by providing clean drinking water, sanitation facilities, healthcare services, street lighting, and educational support.

Various Projects/Programmes:

- Adoption of Two Government Primary Schools
- Organizing Health Care, Preventive, Yoga, Eye Care, Blood Donation Camps etc.
- Provision of Drinking Water: Installing Hand Pumps and Water Coolers etc.
- Development of Park and Other Areas
- Rainwater Harvesting
- Building Toilets
- Solar Lights Installation in Villages in Bhiwadi
- Constructing a Hall in Divyang School, Ghaziabad
- Providing a Bolero Vehicle to a Girl Orphanage in Dharuhera.










शीतल पेय जल








DONATED BY



COMMUNITY WELFARE ACTIVITIES



खैरथल/भिवाड़ी भास्कर 07-12-2023

शिविर में हुआ 69 यूनिट रक्तदान

42 सिलाई मशीनों का किया वितरण

शिविर में 47 यूनिट रक्तदान

भिवाड़ी भास्कर 26-08-2022

जरूरतमंदों और गरीबों को वितरित किए गर्म कपड़े और स्वीटर

भिवाड़ी भास्कर 22-06-2023

शिक्षण सामग्री का वितरण किया

03

एक नजर

वाटर कूलर किया भेंट

समाज सेवा में श्रीराम पिस्टन कंपनी का एक और प्रशासनीय पहल

दिव्यांगता के अभिशाप को मिटाने के लिए दृढ़ संकल्पित है श्री राम पिस्टन : संदीप कालिया

श्री राम पिस्टन कंपनी ने निःशुल्क कृत्रिम अंग वितरण शिविर लगाया

शिविर में 10 लोगों को कृत्रिम अंग सुपात वितरण किए

श्रीराम पिस्टन्स ने लगाया निशुल्क स्वास्थ्य परीक्षण शिविर

श्री सुत नानका कालका इंटर कॉलेज में श्रीराम पिस्टन एंड रिंग्स लिमिटेड द्वारा

40 कंप्यूटर डोनेट किए गए

ANNEXURE - VI TO BOARD'S REPORT

Form MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Shriram Pistons & Rings Limited
(CIN L29112DL1963PLC004084)
3rd Floor, Himalaya House,
23 Kasturba Gandhi Marg, New Delhi-110001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **M/s. Shriram Pistons & Rings Limited** (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/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, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-process 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, 2024 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made thereunder.
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder:
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 viz:-
   - (i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)
   - (ii) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
   - (iii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations);
   - (iv) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
   - (v) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018;
   - (vi) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not applicable**
   - (vii) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not applicable**
   - (viii) 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;
   - (ix) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not applicable**
   - (x) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018: **Not Applicable**

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

Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

As informed to us, there are no other Sector Specific Laws applicable to the Company during the audit period. We have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. 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 of at least seven days is given to all directors to schedule the Board Meetings and Meetings of Committees except in cases where meetings were convened at a shorter notice for which necessary approval was obtained as per applicable provisions. Agenda and detailed notes on agenda were sent in advance in adequate time before the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings of the Board and Committees of the Board, duly signed by the Chairman, all the decisions of the Board were unanimously passed and members views, if any, were captured and recorded as part of the minutes.

I further report that based on their view of the Compliance mechanism established by the Company and on the basis of compliance reports issued by the Company Secretary and Managing Director & CEO based on the updates issued by Functional heads and taken on record by the Board of Directors at their meeting(s), I am of the opinion that there are adequate systems and processes in place in the Company which are commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

I further report on the basis of management representation, recording in the Minutes of Board Meetings and documents provided, I am of the view that the Company has ensured compliance with other laws generally applicable to it like:

1. The Water (Prevention and Control of Pollution) Act,1974;
2. The Air (Prevention and Control of Pollution) Act,1981;
3. The Environment (Protection) Act, 1986;
4. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
5. Factories Act, 1948;
6. Payment of Wages Act. 1936;
7. Minimum Wages Act, 1948;
8. Employees' State Insurance Act, 1948;
9. Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

I further report that during the audit period under review, event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. are:

i. The Company along with the patentee Riken Corporation has been granted a patent for an invention entitled 'A Composite Plating Film of Chromium with Diamond Particles, and Piston Ring having the same and its Production Method' w.e.f. 23.12.2015 in accordance with the provisions of the Patents Act, 1970.

ii. Pursuant to provisions of the Companies Act, 2013 and Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 and in line with the approval of shareholders on 6th July, 2023, 2,20,24,912 (Two Crore Twenty Lakh Twenty Four Thousand Nine Hundred Twelve only) equity shares of ₹10/- each, were allotted as bonus shares in the ratio of 1:1 i.e., one (1) new equity share of ₹10/- each for every one (1) existing fully paid-up equity shares of ₹10/- each. Due to this, paid-up share capital of the Company has been increased to Rs. 44,04,98,240/-.

iii. During the year under review, SPR Engenious Limited ('SEL') - a wholly owned subsidiary (WOS) of the Company has been classified as a material subsidiary of the Company as per regulation 16(1)(c) and regulation 24(1) of SEBI Listing Regulations on 10.10.2023 and 22.02.2024 respectively.

For PG & ASSOCIATES
(Company Secretaries)
Unique Code No.: S2004UP073600

Place: New Delhi
Date: May 6, 2024

CS PREETI GROVER
(Proprietor)
FCS: 5862, CP No.: 6065
Peer Review No.: 772/2020

UDIN: F005862F000311266

Note: This report is to be read with our letter of even date annexed to this Report as Annexure-A, which forms part of this Report.

Annexure-A

To,
The Members,
Shriram Pistons & Rings Limited
(CIN L29112DL1963PLC004084)
3rd Floor, Himalaya House,
23 Kasturba Gandhi Marg, New Delhi-110001

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and for which we relied on the report of statutory auditor.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. 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.
6. We have relied on the Management representation about the compliance of laws, rules and regulations and happening of events etc.
7. The agenda papers of the Board/Committee meetings held during the year were not shared with us thus, could not be checked for audit purpose.

For PG & ASSOCIATES
(Company Secretaries)
Unique Code No.: S2004UP073600

Place: New Delhi
Date: May 6, 2024

CS PREETI GROVER
(Proprietor)
FCS: 5862, CP No.: 6065
Peer Review No.: 772/2020

UDIN: F005862F000311266

ANNEXURE - VII TO BOARD'S REPORT

FORM MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31.03.2024

To
The Members,
SPR Engenious Limited
3rd Floor, Himalaya House,
23, K.G. Marg, New Delhi-110001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SPR Engenious Limited** (hereinafter called "the Company") bearing **CIN: U29299DL2022PLC405090**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, 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 our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2024** generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 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 to the extent applicable for unlisted company;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The Rules, Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not Applicable**;
- (b) *The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations) - **Not Applicable**;
- (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) - **Not Applicable**;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – **Not Applicable**;
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – **Not Applicable**;
- (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021- **Not Applicable**;
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 – **Not Applicable**;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- **Not Applicable**;
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- **Not Applicable**;

*The Company being a material subsidiary of Shriram Pistons & Rings Limited (SPRL), some of the employees and directors of the Company have been categorized as Designated Persons and are covered by the code of conduct of SPRL under the SEBI (PIT) Regulations, 2015.

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

i. Secretarial Standards (SS-1) issued by The Institute of Company Secretaries of India with respect to Board Meetings; and

ii. Secretarial Standards (SS-2) issued by The Institute of Company Secretaries of India with respect to General Meetings.

As informed to us, there are no other Sector Specific Laws applicable to the company during the audit period. We have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. No changes took place in the composition of the Board of Directors and KMPs during the period under review.

Adequate notices are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent within time as prescribed under secretarial standard except for meetings held at shorter notice for which consent obtained from members 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.

All the decisions have been carried out unanimously. The members of the Board have not expressed any dissenting views on any of the agenda items during the period under review.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there have been enlisted major actions or events undertaken by the company which may have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, guidelines, standards, etc.:

(i) The Company completed acquisition of 62% equity shares of SPR Takahata Precision India Private Limited on 16.10.2023.

(ii) The members at the extra-ordinary general meetings approved alteration of Capital Clause of the Memorandum of Association by increasing the authorised share capital from Rs. 125,00,00,000/- to Rs. 285,00,00,000/- on 26.09.2023 and from Rs. 285,00,00,000/- to Rs. 355,00,00,000/- on 30.01.2024;

(iii) The Company became a material subsidiary of its holding company i.e. Shriram Pistons & Rings Limited, as per Regulation 16(1)(c) and Regulation 24(1) of Listing Regulations on 10.10.2023 and 22.02.2024 respectively.

(iv) The shareholding of the Company in one of its subsidiary companies, i.e. SPR EMF Innovations Private Limited increased from 51% to 66.42% pursuant to Rights Issue.

(v) The Company started its manufacturing operations on 27.03.2024 at its manufacturing facility situated at Pithampur, Madhya Pradesh.

FOR PG & ASSOCIATES
(Company Secretaries)
Unique Code No.: S2004UP073600
CS PREETI GROVER
(Proprietor)
FCS: 5862, C.P. No.: 6065
PEER REVIEW NO.: 772/2020

Place: New Delhi
Date: 06.05.2024
UDIN: F005862F000311277

Note: This report is to be read with our letter of even date which is annexed as "Annexure-A" and forms an integral part of this report.

Annexure-A

To
The Members,
SPR Engenious Limited
(CIN U29299DL2022PLC405090)
3rd Floor, Himalaya House,
23, K.G. Marg, New Delhi-110001

Auditor's responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS-1 to CSAS-4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and for which we relied on the report of statutory auditor.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. 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.
6. We have relied on the Management representation about the compliance of laws, rules and regulations and happening of events etc.
7. The agenda papers of the Board Meetings held during the year were not shared with us, thus could not be checked for audit purpose.

FOR PG & ASSOCIATES
(Company Secretaries)
Unique Code No.: S2004UP073600
CS PREETI GROVER
(Proprietor)
FCS: 5862, C.P. No.: 6065
PEER REVIEW NO.: 772/2020

Place: New Delhi
Date: 06.05.2024
UDIN: F005862F000311277

ANNEXURE - VIII TO BOARDS' REPORT

Form AOC-1

[Statement Pursuant to first proviso to Sub-Section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Part "A": Subsidiaries

Sr. No.	Particulars	Subsidiary 1@	Subsidiary 2*	Subsidiary 3**
1	Name of the subsidiary	SPR Engenious Limited	SPR EMF Innovations Private Limited *(Formerly EMF Innovations Private Limited)*	SPR Takahata Precision India Private Limited *(Formerly Takahata Precision India Private Limited)*
2	The date since when subsidiary was acquired	26.9.2022 (Date of Incorporation)	11.1.2023	16.10.2023
3	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Not applicable as reporting period of Holding and Subsidiary Companies are same i.e. from 1.4.2023 to 31.3.2024		
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable		
5	**Share capital:** Authorised share capital : Paid-up share capital :	 Rs. 355,00,00,000 Rs. 350,00,00,000	 Rs. 35,00,00,000 Rs. 17,51,70,820	 Rs. 195,00,00,000 Rs. 183,50,00,000
6	Reserves & surplus (Rs./Million)	(40.87)	754.98	(982.30)
7	Total assets (Rs./Million)	3639.36	1122.65	2287.54
8	Total Liabilities (Rs./Million)	3639.36	1122.65	2287.54
9	Investments (Rs./Million)	2507.08	316.23	-
10	Turnover/Total Income (Rs./Million)	34.37	142.57	2687.68
11	Profit before taxation (Rs./Million)	(5.99)	(60.78)	134.13
12	Provision for taxation (Rs./Million)	-	(3.41)	4.19
13	Profit after taxation (Rs./Million)	(5.99)	(57.37)	129.94
14	Proposed Dividend	NIL	NIL	NIL
15	% of shareholding	100	66.42*	62**

1. Names of subsidiaries which are yet to commence operations: NIL
2. Names of subsidiaries which have been liquidated or sold during the year: NIL
3. Names of subsidiaries which have been struck off during the year: NIL

@ Wholly owned subsidiary of the Company

* Holding 66.42% shares through SPR Engenious Limited, Wholly owned subsidiary.

** Holding 62% shares through SPR Engenious Limited, Wholly owned subsidiary.

Part "B": Associates and Joint Ventures

This is not applicable, as there are no Associate Companies or Joint Venture Companies of the Company.

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

New Delhi
May 13, 2024

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
CFO

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

General Disclosure Questions

I. Details of the listed entity

S.No.	Questions	Responses
1.	Corporate Identity Number (CIN)	L29112DL1963PLC004084
2.	Name of the Listed Entity	Shriram Pistons & Rings Limited
3.	Year of incorporation	1963
4.	Registered office address	3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi- 110001
5.	Corporate address	3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi- 110001
6.	E-mail	compliance.officer@shrirampistons.com
7.	Telephone	011-23315941
8.	Website	https://shrirampistons.com/
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited
11.	Paid-up Capital	Rs. 44,04,98,240/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	**Name:** Mr. Pankaj Gupta **Designation:** Company Secretary **Email:** compliance.officer@shrirampistons.com Phone: 011-23315941
13.	Reporting boundary	The Report is prepared on a standalone basis i.e. Shriram Pistons & Rings Limited ('SPRL' or 'the Company').
14.	Name of assurance provider	NA
15.	Type of assurance obtained	NA

II. Products/Services

16. **Details of business activities (accounting for 90% of the turnover)**

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
i)	Manufacturing & Sale of automotive components	Pistons, Piston Pins, Piston Rings, Engine Valves, Cylinder Liners etc.	95%

17. **Products/Services sold by the entity (accounting for 90% of the entity's Turnover)**

S. No.	Product/Service	NIC Code	% of total Turnover contributed
i)	Pistons, Piston Rings, Piston Pins, Engine Valves and Cylinder Liner	281; Sub-division: 2811	95%

III. Operations

18. **Number of locations where plants and/or operations/offices of the entity are situated**

Location	Current Financial Year	Previous Financial Year
National	14 (3 plants, 5 assembly units, 1 Head Office and 5 Regional Sales Office)	14 (3 plants, 5 assembly units, 1 Head Office and 5 Regional Sales Office)
International	-	-

19. **Markets served by the entity:**

a. Number of locations

Locations	Number
National (No. of States)	28 States and 8 Union Territories
International (No. of Countries)	45

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of Exports is 19% of the total turnover of the Company.

c. A brief on types of customers

SPRL's customers can be broadly classified into the following categories:

- Domestic: OEMs & Aftermarket
- International: OEMs & Aftermarket

IV. Employees

20. **Details as at the end of Financial Year: FY 2023-24**

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
i)	Permanent (D)	1367	1311	95.9	56	4.1
ii)	Other than Permanent (E)	22	21	95.5	1	4.5
iii)	Total employees (D + E)	1389	1332	95.9	57	4.1
Workers						
iv)	Permanent (F)	2520	2520	100.0	-	-
v)	Other than Permanent (G)	4338	4203	96.9	135	3.1
vi)	Total employees (F + G)	6858	6723	98.0	135	2.0

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently-abled employees						
i)	Permanent (D)	2	2	100	-	-
ii)	Other than Permanent (E)	-	-	-	-	-
iii)	Total Employees (D + E)	2	2	100	-	-
Differently-abled workers						
iv)	Permanent (F)	5	5	100	-	-
v)	Other than Permanent (G)	20	20	100	-	-
vi)	Total Employees (F + G)	25	25	100	-	-

21. **Participation/Inclusion/Representation of women**

	Total (A)	No. of Females (B)	No. Females (B/A)
		(B)	(B / A)
Board of Directors (BOD)	10*	2	20%
Key Management Personnel (KMP)	4**	-	-

*Besides the above, there are two (2) Alternate Directors

**KMP includes MD & CEO and Whole Time Director which are also included under BOD

22. **Turnover rate for permanent employees and workers**

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13%	12%	13%	13%	22%	13%	10%	9%	10%
Permanent Workers	3%	-	3%	2%	-	2%	2%	-	2%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. **Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the Holding/ Subsidiary/Associate Companies/Joint Ventures (A)	Indicate whether Holding/Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity?
i)	SPR Engenious Limited	Wholly-owned Subsidiary	100.00	No
ii)	SPR EMF Innovations Private Limited (SPR-EMFI) *(formerly EMF Innovations Private Limited)*	Step-down Subsidiary*	66.42	No
iii)	SPR Takahata Precision India Private Limited (SPR-TPIPL) *(formerly Takahata Precision India Private Limited)*	Step-down Subsidiary*	62.00	No

Note: SPRL acquired the equity stake in 'SPR-EMFI' & 'SPR-TPIPL' through its wholly-owned subsidiary SPR Engenious Limited*

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 : Yes

(ii) Turnover (in Rs.) : Rs. 29,537 Million

Net worth (in Rs.) : Rs. 19,499 Million

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder Group	Grievance Redressal Mechanism in Place *(Yes/No) (If Yes, then provide web-link for grievance redress policy)*	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, https://shrirampistons.com/contact-page/	Nil	Nil	-	Nil	Nil	-
Investors (other than shareholders)	Yes, https://shrirampistons.com/investors-guide-2/ under Contact details of Official for assisting and handling investor grievances	Nil	Nil	-	Nil	Nil	-
Shareholders	Yes, https://shrirampistons.com/contact-page/ Additionally, shareholders can lodge complaints by emailing at compliance.officer@shrirampistons.com or to the Registrar and Share Transfer Agent (RTA) who principally is responsible for managing the share related affairs by emailing at csg-info@alankit.com	Nil	Nil	-	Nil	Nil	-
Employees and workers	Yes, the Whistleblower Policy has been formulated with a view to provide a mechanism for directors, employees and other stakeholders of the Company to approach the Chairperson of the Audit Committee of the Company or other channels set out in this policy, to report violations of the Code of Conduct or any other grievances	Nil	Nil	-	Nil	Nil	-
Customers	Yes, https://shrirampistons.com/contact-page/	50	Nil	Refer Note(1)	77	-	Refer Note(1)
Value Chain Partners	Yes, https://shrirampistons.com/contact-page/	Nil	Nil	-	Nil	Nil	-

Notes:

(1) Considering the normal turnaround time required to resolve consumer complaints, all the complaints have been resolved during the year for all the businesses up to customer satisfaction.

(2) The Company's "Vigil Mechanism/Whistle Blower Policy" encourages all the Whistle-Blowers [directors and employees of SPRL (including outsourced, temporary and on contract personnel), stakeholders of the Company, including vendors] to report any kind of misuse of company's properties, mismanagement or wrongful conduct prevailing/executed in the Company. The policy can be accessed at https://shrirampistons.com/pdf/ig/Whistle_Blower_Policy.pdf.

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same and approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
i)	Threat to IC Engine due to Electrification and changes due to Advancement in Alternate Fuels	Risk & Opportunity	Government push towards electrification & use of alternate fuels in vehicles to reduce carbon imprint	• Offer new products for electric mobility through its subsidiary • Capture higher market share by continuously upgrading product technology to meet alternate fuel engine specifications • Increase sales in replacement markets • Create flexibility in production facilities	• Opportunity to increase sales and profits by designing niche products for alternate fuels IC engines and also make inroads in the electric vehicle market & new areas based on products offered by subsidiaries • Opportunity to increase sales and profits by creating technology differentiators, reworking pricing strategy and adopting an asset light model in manufacturing

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
ii)	Disruption in Operations due to these factors can have an adverse impact on Company	Risk	Disruptions in supply chain due to ongoing geopolitical situation and its impact on economy	• Localization of critical imported items • Inventory management • Optimise production linked remuneration model	Any disruption in supply chain can have adverse impact on Company's Operations. This is being effectively mitigated by taking all necessary measures
iii)	Natural Calamities, Fire & Environmental Issues	Risk	Disruption in operations due to these factors can have an adverse impact on Company	• Meet & exceed statutory requirements • Reservoirs with dewatering pumps to counter flooding, condition monitoring through thermal imaging, load monitoring to ensure fire safety • Fire risk assessment carried out and all gaps closed	• Any disruption in operations can lead to setback in achieving long term goals of the Company • De-risking by starting production at new location
iv)	Cyber Security	Risk	Information relating to Company's operations, business partners, is available on various software being used	• Getting cyber risk assessment done. • Implementation of business continuity plans. • Data centre security & network security by having physical access controls. • Configuration of password policy in SAP/ non SAP system • Awareness sessions & quizzes being conducted to raise awareness among employees regarding online scams	• Cyber risk assessment by independent party has been done to mitigate the risk. All precautions to ensure hardware and software safety are being undertaken • Building a very strong firewall – for both incoming and outgoing data
v)	Environment Social Governance (ESG)/ SDG Goals	Risk & Opportunity	Analysing environmental risks such as climate change, resource scarcity, social risks such as high sensitivity about labour practices & human rights, lack of diversity & inclusion and governance risks such as unethical business practices, failure to integrate ESG into corporate strategy	Implementing sustainable practices, regular assessment and establish a dedicated ESG committee responsible for overseeing ESG integration	• By prioritizing ESG considerations, Company experience improved risk management, enhanced operational efficiency and increased investor confidence, leading to sustainable long-term financial gains • ESG goals are being tracked by management regularly

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs.	Yes								
b. Has the policy been approved by the Board?	Yes								
c. Web Link of the Policies, if available	https://shrirampiston.com/investors- guide-2/								
2. Has the entity has translated the policy into procedures?	Yes								
3. Do the enlisted policies extend to your value chain partners?	Yes								
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 14001 ISO 45001 IATF16949								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	• Maximize the use of solar power & maximize heat recovery • Minimize groundwater extraction, become net water positive • Compliance with all government rules and regulations • To achieve carbon neutrality by 2045								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	• 19% of total electricity requirement in Ghaziabad plant met by Solar Power and additional 16% requirement will be met by Solar by next year. • For Bulandshahr Road plant, 40% of total electricity requirement will be met by Solar Power from next year. • Rooftop Solar Power is being implemented in Pathredi Plant. Phase 1 will be implemented during FY 2024-25. • RO System of 200 KLD at Ghaziabad & 400 KLD at Pathredi plant installed to maximise recycling of water and to minimise water extraction. Both the plants are Zero Liquid Discharge plants. • All environment related authorizations/ approvals are in place • Current carbon footprint intensity is 18.74 TCO_2 Eq/ Lac Rs. of production against last year of 22.42 TCO_2 Eq/ Lac Rs.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	At Shriram Pistons & Rings Limited, we recognize that our business activities have a significant impact on the environment and society. As a responsible corporate citizen, we are committed to promoting sustainable development and reducing our carbon footprint. We are committed to reducing our greenhouse gas emissions and promoting the use of renewable energy sources. We are planning to use more than 1/3rd of our energy requirement through renewable sources in all our plants and are actively looking to increase this further. We have also implemented energy-efficient practices and are exploring innovative technologies to reduce energy consumption and improve energy efficiency including heat recovery. We have stopped using wooden pallets in all our plants and replaced them with Plastic/Coco pallets. We have also experimented with Coco pallets for Customer dispatches with encouraging results.								

	We also recognize the importance of ethical labour practices and are committed to ensuring that our employees are treated with dignity and respect. We provide our employees with a safe and healthy work environment and offer training and developmental opportunities to help them grow to their full potential. We conduct regular social interactions and open houses to hear the views of our employees and act on their suggestions. In addition, we are committed to supporting local communities and creating social value through our business activities. We engage with our stakeholders to understand their needs and concerns and work collaboratively to address them. We are working towards providing support to local communities in the areas of Healthcare, Education, Skill Enhancement & Women Empowerment. We endeavor to work towards the betterment of the marginalized section of the society. We believe that transparency and accountability are essential to our sustainability efforts and we are committed to maintaining open and transparent communication with all our stakeholders. We regularly monitor and report on our sustainability performance and strive to continually improve practices and reduce environmental impact. We believe that sustainability is not just a corporate responsibility but also an opportunity to create long-term value for all stakeholders. We are committed to promoting sustainable development and making a positive impact on society.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies)	Board of Directors
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? If yes, provide details.	Yes Shriram Pistons & Rings Limited has established a steering committee, led by the MD & CEO and comprises of Executive Director - Works (Ghaziabad/Pathredi), Executive Director - Marketing, CFO, CHRO, Head Legal & Compliance Officer and Dy. Executive Director SCM, to oversee the organization's sustainability efforts. The committee is responsible for making decisions related to the organization's sustainability goals, performance, and future measures.

10. Details of review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/ Any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The Managing Director & CEO review the performance of the systems and processes in place for NGRBC related principles. The Audit Committee reviews the performance and grievance redressal mechanisms as per the Code of Conduct of the Company.									Ongoing basis								

Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with all the applicable statutory requirements and rectifies, non-compliance, if any. This is reviewed by the Audit Committee.	Quarterly and as & when required as per statutory requirements

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
No, however, as a part of the oversight of the internal financial controls in the Company, the Management and Audit Committee reviews the adherence to the stated policies in the Company. The Internal Audit function assists the Audit Committee with the above.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any Other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	7	Outlook of the automotive industry, governance and regulatory compliance requirements, global financial, business trends, CSR and financial reporting, whistle blower, awareness/ compliances of related party transactions, policy on materiality of events, risk management, cyber security risk and ESG commitments.	100%
Key Managerial Personnel	Being done on a regular basis	Updates and awareness related to regulatory changes are provided for the benefit of the Key Managerial Personnel. Topics covered include: Corporate Governance, Companies Act, 2013, SEBI regulations as applicable to the Company, ESG matters, cyber security risk, Code of Conduct, PERCOM Competency Pillar (Performance Management System), Whistle Blower Policy, Prevention of Sexual Harassment, HR Policies, Employee Welfare, Global and National financial updates , Global Business Trends, financial reporting, Awareness/ Compliances of Related Party Transactions, Insider Trading Compliances, Policy on Materiality of events and information to be reported to the stock exchanges etc.	100%

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Employees (other than BoD and KMPs)	174	6Ps Awareness, Awareness of POSH, Hazard Identification & Risk Assessment, Emergency Preparedness, ESG, Product, awareness on ISO 14001 & 45001, Root Cause Analysis, Core Quality Tools, Cyber Security & IT Systems, TPM, Goal Setting Process, Finance for Non-Finance, Managerial Effectiveness, Strategic Planning & Goal Setting, ESS Training, Insider Trading Compliances, Handling Customer Complaints, Team Building, Well being.	95%
Workers	1748	Behaviour Based Safety, Fire Fighting & Emergency Preparedness, Personal Protective Equipment, Hand Safety & Chemical handling, Discipline/Teamwork, Competency Building on Factory Laws, Breaking Unconscious Bias, Healthy Mind & Healthy Diet, Happiness at the workplace, Measuring Instrument, Calibration, Role of Associate in quality improvement journey.	73%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principles	Name of the regulatory / enforcement agencies / judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred?
Penalty/ Fine	NIL				
Settlement					
Compounding fee					
Non-Monetary					
Imprisonment	NIL				
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

As part of Company's Code of Conduct, we have established anti-corruption and anti-bribery guidelines. All employees, the Board of Directors and senior management are considered under the policy. According to the policy, employees are prohibited from offering or receiving bribes in the form of gifts, donations, hospitality, or entertainment from the Company's current or potential suppliers, customers or third parties with business dealings under any circumstances. To demonstrate their understanding of the policy and pledge to follow its guidelines, all employees are encouraged to attend training sessions on it.

The web-link of our code of conduct policy is: https://shrirampiston.com/investors-guide-2/.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption**

	FY 2023-24	FY 2022-23
Directors	NIL	NIL
KMPs		
Employees		
Workers		

6. **Details of complaints with regard to conflict of interest:**

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	-	NIL	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. **Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not applicable

8. **Number of days of accounts payables (Accounts payable *365)/(Cost of goods/services procured) in the following format.**

	FY 2023-24	FY 2022-23
Number of days of accounts payables	103	115

9. **Open-ness of business:**

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	2.24%	1.84%
	b. Number of trading houses where purchases are made from	3	3
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	100%	100%
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	30.10%	29.60%
	b. Number of dealers / distributors to whom sales are made	1140	1350
	c. Sales to top 10 dealers/distributors as % of total sales to dealers / distributors	44%	44%
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	5.27 %	5.50 %
	b. Sales (Sales to related parties/Total Sales)	0.17 %	0.13 %
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	-	-
	d. Investments (Investments in related parties/Total Investments made)	88.56 %	62.40 %

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year

The Company is committed to conducting business in an ethical, fair, legal, socially and environmentally responsible manner. The Company's business partners are an integral part of the ecosystem and the Company encourages its business partners to be responsible corporate citizens. The Company has in place a documented Code of Conduct for Suppliers to emphasize its commitments in the areas of business integrity, human rights, labour practices, environment stewardship, etc.

All the agreements/contracts/purchase orders entered into by the Company with the business partners include stated confirmation on the above-mentioned aspects. The Code of Conduct for Suppliers is available at https://shrirampistons.com/pdf/Suppliers-code-of-conduct.pdf. The process of holding discussions and conducting awareness sessions with our value chain partners on these principles has been initiated.

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
32	Safety, Legal Aspects, Health, Environment & Women Hygiene	70%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? If Yes, provide details of the same.

Yes. The Company has established stringent procedures to prevent Board members from engaging in conflicts of interest. The Board's Code of Conduct, Code on Prevention of Insider Trading and Policy on Related Party Transactions provide guidelines for avoiding conflicts of interest and are applicable to all Directors. In accordance with the policy, Senior Management and Board Members do not participate in any circumstance in which they may have a conflict of interest with the Company and they confirm such status to the Board annually.

The goal of the Policy on Related Party Transactions is to make sure that all transactions between the Company and related parties are properly reported, approved and disclosed. The Director who is concerned or interested cannot discuss or approve contracts or arrangements with related parties.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	100%	100%	The Company has an in-house Research & Development (R&D) facility where experts work on various innovations/technologies including finding pathways for bringing on more sustainable and environment-friendly products.
Capex	11%	7%	The capital spending includes investments in renewable energy, installation of environment monitoring systems, expenditure on energy-efficient equipment, waste reduction & treatment infrastructure, automation of laborious activities and improvement of safety infrastructure among others. For more specific details, please refer to Annexure- III of the Board's Report.

2. Does the entity have procedures in place for sustainable sourcing? If yes, what percentage of inputs were sourced sustainably?

Yes, the Company has established a Sustainable Supplier Assessment Framework. Sustainable sourcing is done for purchase (about 60% by value) from suppliers, who are either certified for ISO 14000 or OHSA 18000.

Company strives to procure components without compromising on quality. It has been encouraging and supporting its suppliers towards meeting all Regulatory compliance aspects.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

We have ideal waste management practices in place for plastics, e-waste, and hazardous waste. We work with certified partners to co-process waste.

Waste is collected, dismantled, segregated and stored based on the category of waste, with hazardous waste disposed of within 90 days. All waste is disposed of for recycling or final disposal in accordance with generation, accumulation and safety standards. The following is the disposal process for the various types of waste:

Plastic Waste: The Company has been registered as a brand owner and importer with CPCB under the EPR obligation as part of compliance under the Plastic Waste Management Rules. The Company has engaged Plastic Waste Reprocessing agencies authorized by CPCB for the recycling of plastics waste.

E-waste: Disposed off to the authorized party for re-cycling

Hazardous Waste:

- Oily Cotton Rags - Disposed off to the authorized party for Co-processing
- Grinding Sludge - Disposed off to the authorized party for treatment & recycling
- ETP Sludge - Disposed off to the authorized party for Co-processing
- Used/ Waste Oil - Disposed off to the authorized party for incineration
- Empty Container - Disposed off to the authorized party for treatment & recycling
- Multi Effect Evaporator Salt - Disposed off to the authorized party for landfilling at Government authorized site
- Aluminum Dross - Disposed off to the authorized party for recycling

Other Waste: All other non-hazardous waste is sold off to established scrap dealers.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, EPR is applicable to the Company under PWM Rules, 2016. The Plastic packaging introduced into the market is recycled through the CPCB (Central Pollution Control Board) authorized plastic waste re-processors. During the year, 100% of the plastic packaging introduced into the market was recycled by the plastic waste re-processing agencies.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

Yes,

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Was it conducted by an Independent external agency	Have results been communicated in public domain	If yes, provide the web-link
281	Pistons, Piston Rings, Piston Pins, Engine Valves	95	Cradle to Gate	No	No	-

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
Chromic acid	Health & Safety Risk	Chromic acid is used in the surface coating process. The effluent generated from the process is treated chemically at ETP. The sludge thus generated is packed in HDPE bags and sent to the authorised TSDF site for further treatment and disposal.

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate Input Material	Recycled or re-used material to total material	
	FY 2023-24	FY 2022-23
Raw Material - Ferrous/Non-Ferrous	68%	50%

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled and safely disposed, as per the following format:**

	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
	Tons	Tons	Tons	Tons	Tons	Tons
Plastics (including packaging)	144	-	-	130	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Plastic Bin/ Pallet	52%

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. **Well-being of employees and workers**

   a. **Details of measures for the well-being of employees**

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	1311	1311	100	1311	100	-	-	-	-	-	-
Female	56	56	100	56	100	56	100	-	-	56	100
Total	**1367**	**1367**	**100**	**1367**	**100**	**56**	**4**	**-**	**-**	**56**	**4**
Other than Permanent Employees											
Male	21	21	100	21	100	-	-	-	-	-	-
Female	1	1	100	1	100	1	100	-	-	1	100
Total	**22**	**22**	**100**	**22**	**100**	**1**	**5**	**-**	**-**	**1**	**5**

b. **Details of measures for the well-being of workers:**

Category	% of Workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	2520	2520	100	2520	100	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	2520	2520	100	2520	100	-	-	-	-	-	-
Other than Permanent Workers											
Male	4203	4203	100	4203	100	-	-	-	-	-	-
Female	135	135	100	135	100	135	100	-	-	135	100
Total	4338	4338	100	4338	100	135	3	-	-	135	3

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent)**

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	**0.07%**	**0.05%**

2. **Details of retirement benefits**

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as % of total employees	No. of workers covered as % of total workers	Deducted and deposited with the authority (Y/N/N.A)	No. of employees covered as % of total employees	No. of workers covered as % of total workers	Deducted and deposited with the authority (Y/N/N.A)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	100	100	Yes	100	100	Yes
Others-please specify	-	-	-	-	-	-

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

Yes, in accordance with requirements, the necessary arrangements are made to promote accessibility for employees and workers with disabilities.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy**

Yes, the Company has a policy on equal opportunity and non-discrimination titled "Equal Opportunity Policy as per the Rights of Persons with Disabilities Act, 2016" which is available on the website at https://shrirampistons.com/investors-guide-2/ under the "Policies" tab.

5. **Return to work and Retention rates of permanent employees & workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	N/A	N/A	N/A	N/A
Female	50%	100%	100%	100%
Total	**50%**	**100%**	**100%**	**100%**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of mechanism in brief)
Permanent Worker	Yes, an approved Grievance Committee of 20 members, including workers and staff from each plant has been set up, so that the entire plant is covered. The monthly meeting is conducted in which grievances are noted by each plant representative. The issues are further escalated to the concerned Department for resolving within the defined time frame. The status of resolved or pending issues are informed to all concerned.
Other than Permanent Worker	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24			FY 2022-23		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	1367	-	-	1364	-	-
-Male	1311	-	-	1305	-	-
- Female	56	-	-	59	-	-
Total Permanent Workers	2520	2520	100	2597	2597	100
- Male	2520	2520	100	2597	2597	100
- Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category		FY 2023-24				FY 2022-23				
	Total (A)	On health & safety measures		On skill up-gradation		Total (D)	On health & safety measures		On skill up-gradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	1332	827	62	1142	86	1307	809	62	1118	86
Female	57	24	42	35	61	57	23	40	24	42
Total	1389	851	61	1177	85	1364	832	61	1142	84
Workers										
Male	6723	2561	38	5401	80	6965	3513	50	4769	68
Female	135	92	68	99	73	55	32	58	49	89
Total	6858	2653	39	5500	80	7020	3545	51	4818	69

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1332	1318	99	1307	1305	99
Female	57	57	100	57	59	98
Total	1389	1375	99	1364	1364	99

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Workers						
Male	6723	6268	93	6965	5844	85
Female	135	133	99	55	-	-
Total	6858	6401	93	7020	5844	84

10. Health and safety management system

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No) If yes, the coverage of such a system

Yes, we have implemented Management System ISO 45001:2018 for Health & Safety, covering all the processes in the manufacturing of Products. All employees are covered under this system. At each of our locations, we have a well-established EHS function that effectively facilitates the implementation of all occupational health and safety policies and procedures. In addition, in order to steer site-level safety initiatives, each location has a Safety Committee that includes employees and senior management from the plant. The Company's EHS team reviews and monitors safety performance on a regular basis using specific leading and trailing indicators.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has a Health and Safety Policy. The health and safety guidelines are applicable to all operating locations of the Company and lay down the required parameters to be followed at all the locations. Some of the key processes for identifying work-related hazards and assessing risks on a routine and non-routine basis are given below:

i) Process of Hazard Identification and Risk Assessment at regular intervals

ii) Process of Safety Audit & Inspections

iii) Process of seeking employee suggestions

iv) Process of engaging employees in safety activities through safety meetings, communication meets, tool box talks & celebration of events like safety month.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks (Y/N)

Yes, the Company has a safety incident reporting system that allows workers and employees to report accidents, near misses and identified safety hazards (unsafe acts and unsafe conditions) to the EHS department, toolbox talks and site-level safety committees.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Y/N)

Yes, workers and employees have access to non-occupational medical and healthcare services. Employees receive free diagnostic camps, awareness programs, and regular medical examinations.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	0.90
	Workers		0.21
Total recordable work-related injuries	Employees	NIL	-
	Workers		4
Number of fatalities	Employees	NIL	-
	Workers		-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	-
	Workers		-

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy work place

In line with the Company's Health and Safety Policy, there are various measures taken to ensure access to a safe and healthy work-place to all employees and workers. The Company invests in technologies and processes to avoid and minimize the manual interface with machines. The Company ensures that all statutorily required norms are complied with and gets safety audits done for validation.

Further, the Company endeavors to design any new facility by using the latest technology and include all possible safety measures such that there is near zero risk to human health. The Company recognizes its workforce as the most valued asset and is dedicated to ensuring their safety and well-being. Measures have been implemented at all locations to provide everyone with a safe working environment. The following measures are implemented to ensure a safe working environment:

i) Medical Insurance coverage is provided to all employees.

ii) First Aid and other medical services are readily available for all personnel at all location.

iii) The Company believes in training its personnel on the best safety procedures and skills to ensure that they carry out their duties in an efficient and safe manner.

iv) Occupational Health is another aspect that is carefully monitored to ensure that all processes are safe and do not pose potential harm to the health of its personnel.

v) Inspection Systems are put in place and regular audits are conducted to identify any potential shortcomings of the processes and ensure that any and all potential safety and health issues are mitigated.

13. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the Year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	5	NIL	-	2	NIL	-
Health & Safety	-	NIL	-	1	NIL	-

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

The Company continuously monitors and assesses its health and safety practices and working conditions. Investigation is conducted in case any incident is reported using various methodologies to identify the root cause. The investigation team presents corrective and preventive measures which is reviewed at various levels by the management. Such corrective actions are then deployed horizontally across locations. A few of the actions to improve Safety conditions at the shop floor are as follows:

i) Static charge dissipater installed for fire prone areas

ii) Addition of Hose reels at specific locations

iii) Hand railing around fire extinguishers to prevent hit incidents

iv) Provision of fire suppression system in the exhaust ducts

v) Acoustic enclosure on vibrating machines, etc.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).?**

Employees	Yes
Workers	Yes

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

Company conducts due diligence from time to time to ensure that partners in the value chain deduct and deposit required statutory fees. Additionally, this is examined as part of Company's internal audit process. Business agreements with value chain partners mandates that the value chain partners comply with all the statutory laws, Regulations and rules made thereunder. In addition, we regularly interact with partners in the value chain to educate them about responsible business practices and guarantee their compliance with statutory requirements like these.

3. **Provide the number of employees / workers having suffered high consequence work- related injury / ill- health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	NIL	NIL	NIL	NIL
Workers				

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Extensions/ Contractual employment is given to retiring employees on case to case basis. Additionally, medical insurance continuity is being provided for retirees.

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	79
Working Conditions	79
Note: The Company has assessment system which includes Health & Safety condition and Working Condition during new vendor registration and also included in the General Terms & Conditions of the agreements.	

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

No significant risks or concerns were identified from assessment of health and safety practices and working conditions of value chain partners. However, necessary corrective and preventive actions were taken, wherever necessary, to improve the health and safety practices and working conditions of value chain partners.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity**

Enhancing stakeholder value is at the heart of management strategy. By regularly engaging with stakeholders to comprehend their distinct requirements, interests and expectations, we foster close collaboration with them. We constantly reach out to our internal and external stakeholders through a variety of channels as we recognize that value is created not only within the organization but also through relationships with others. Stakeholders were selected based on their influence (via internal decisions and policies) on the Company and impact on their business due to the Company's business choices and the implications of those decisions. The Company has identified both internal stakeholders (employees, senior management and the Board of Directors) and external stakeholders (value chain partners, consumers and the community at large).

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	E-mails, Internal newsletters, Communication meetings, Leadership site visits and interactions, Employee engagement survey, Induction and regular training programmes, Tool box talks, Regular drills on safety	Regularly	Vision and mission of the company, business performance and plans, welfare, health and safety of the employees and their families, assuring support of management to employees, work place hazards and controls, skill development, rewards and recognitions, sensitizing on core values.
Shareholders & Investors	No	Annual General Meeting, Corporate Website, Annual Report, Social Media Earning Calls (maiden call), Press Releases, Grievance Redressal Mechanism, Newspaper, Publications, Emails & Text Messages	Quarterly	Improved profitability and growth of organization, transparent and effective communication, investor servicing, sound corporate governance mechanisms
Regulatory Bodies	No	Periodic Reports, Regular direct and indirect interactions through industrial associations and other bodies	Monthly/Annually	Compliance of rules and regulations, submission of reports under various statutes at specific intervals and response to any issues raised by Government/ regulatory authority.
Communities	Yes	Open dialogue with local communities, Need based surveys to understand the community requirements, Awareness meets and Health camps	Regular engagement	Health and hygiene in rural community, education & infrastructure and water conservation
Value Chain Partners	No	Regular meeting with the Suppliers, Plant visits, Interactions on a regular basis	Regular engagement	Share best practices among industries, competency development of local vendors, rewards and recognitions
Customers	No	Regular personal interactions and discussions, Market surveys, Customer surveys, Plant visits	Regular engagement	Prompt response to customer complaints, focus on product/service quality and timely delivery, building trust among the customers

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The review of all shareholder related matters are reviewed by the Stakeholders Relationship Committee (SRC) and the Corporate Social Responsibility (CSR) programmes of the Company are reviewed by the Corporate Social Responsibility Committee of the Company. The Board is kept abreast of various developments and feedback on the same is sought from the Directors.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity**

Yes, the Company undertakes consultation with stakeholders to help identify and prioritize environmental and social issues as part of its CSR activities.

3. **Provide details of instances of engagement with and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

The Company identifies the needs of communities including vulnerable and marginalised groups and accordingly takes up various programs under Corporate Social Responsibility initiatives. The initiatives undertaken by the Company under the thrust areas of Corporate Social Responsibility are after assessing the need of the communities including the vulnerable/ marginalised stakeholder groups and other members of the community. The Company has undertaken activities in the areas of healthcare including preventive healthcare, old age home development, education support to the students, skill development training, support to specially-abled groups, women empowerment and rural development.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	1367	695	51	1364	569	42
Other than Permanent	22	8	36	17	12	71
Total Employees	**1389**	**703**	**51**	**1381**	**581**	**42**
Workers						
Permanent	2520	2520	100	2597	2597	100
Other than Permanent	4338	3925	90	4423	3963	90
Total Workers	**6858**	**6445**	**94**	**7020**	**6560**	**93**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	1367	2	0.1	1376	99.9	1364	-	-	1364	100
Male	1311	2	0.1	1315	99.9	1305	-	-	1305	100
Female	56	-	-	61	100	59	-	-	59	100
Other than Permanent	22	-	-	22	100	17	-	-	17	100
Male	21	-	-	21	100	14	-	-	14	100
Female	1	-	-	1	100	3	-	-	3	100
Workers										
Permanent	2520	-	-	2520	100	2597	-	-	2597	100
Male	2520	-	-	2520	100	2597	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent	4338	142	3	4196	97	4423	146	3	4277	97
Male	4203	140	3	4063	97	4368	144	3	4224	97
Female	135	2	1	133	99	55	2	4	53	96

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD) (Non-Executive Directors)	10	Rs. 1.41 Mn.	2	Rs. 5.25 Mn
Key Managerial Personnel	4	Rs. 46.58 Mn.	-	-
Employees other than BoD & KMP	1311	Rs. 0.73 Mn.	56	Rs. 0.74 Mn.
Workers (Permanent)	2520	Rs. 0.46 Mn.	-	-

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % to total wages	**2.30%**	**1.40%**

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, Ms. Poonam Bharti, the Chief Human Resources Officer of the Company, is responsible for addressing any human rights issues caused or contributed by the business. The Company has a Human Rights Policy which can be accessed at the Company's website at https://shrirampistons.com/investors-guide-2/ under the "Policies" tab. The objective of the policy is to promote and protect human rights within the organization and across business operations and supply chain. The Company is committed to upholding the fundamental principles of human rights, ensuring fair treatment, dignity and equality for all individuals associated with the Company, including employees, contractors, customers and stakeholders. Through this policy, the Company aims to create a positive and inclusive work environment while respecting and supporting human rights as defined by international laws and conventions.

In addition to the above, an ESG Steering Committee under the social pillar has a meeting every quarter to address human rights impacts or issues caused or contributed by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

The Company is committed to providing a safe and conducive work environment to all of its employees and workers. Transparency and openness are organizational values and are practiced across all levels. Employees are encouraged to share their concerns with their reporting manager or the members of the Senior Management. Employees can reach out independently to the Human Resource department if they so choose. The Company has an open-door approach, wherein any employee irrespective of hierarchy has access to the Senior Management. In addition, the Code of Conduct for Employees and the Whistle Blower Policy allows all our employees to report any kind of suspected or actual misconduct in the organization in an anonymous manner including grievances related to human rights issues.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour/ Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other Human rights related issues	Nil	Nil	-	Nil	Nil	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

The Company believes in the principle of natural justice and ensures that full confidentiality of the complainant is maintained during and after the resolution of the complaint. Such complaints are usually handled by senior members of the organization. These members are trained on aspects like how such complaints must be handled, the rights of complainants and manner of dealing with complaints and respondents, sensitivity and judgment to be applied on such matters.

The members handling such complaints maintain full confidentiality to protect the complainant during as well as after closure of complaints. The complainant is protected against any adverse action not limited to harassment, unfair termination of employment, demotion, suspension and biased behavior.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, all critical human rights requirements are part of business agreements and Contracts/Code of conduct with the business partners. Further, the Code of Conduct for Business Partners is applicable to all the suppliers and service providers according to which suppliers are expected to respect human rights and avoid causing/contributing to human rights infringements through their business actions.

10. Assessments for the year:

	% of Plants/ Offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100
Forced/ Involuntary Labour	100
Sexual Harassment	100
Discrimination at workplace	100
Wages	100
Others- please specify	-

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No significant deviations were observed in relation to aspects described in Question 10 above.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

During the reporting period, no business processes have been modified or introduced for addressing human rights grievances/ complaints as there was no complaint/grievance related to human rights during the year.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The Company recognizes the upholding of human rights as an integral aspect of doing business and has implemented systems and controls to ensure the protection of human rights. The company strictly prohibits the engagement of child labour and controls ensure that individuals below 18 years of age cannot be on-boarded onto the Manpower system. Furthermore, the Company does not engage in forced labour practices. Salaries of all employees are deposited directly into their bank accounts.

The Company works towards providing equal employment opportunities, ensuring distributive, procedural & interactional fairness, creating a harassment-free, safe environment and respecting fundamental rights. As an equal opportunity employer, meeting or exceeding minimum wages and no discrimination is tolerated in any aspect. Any identified risks are dealt with corrective actions and closely monitored for progress at periodic frequencies.

Further, the Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. Internal Complaints Committee ('ICC') is in place for all works and offices of the Company to redress complaints received regarding sexual harassment.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, in accordance with requirements, the necessary arrangements are made to promote accessibility for employees and workers with disabilities.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done) assessed
Sexual Harassment	77
Discrimination at workplace	77
Child Labour	77
Forced/Involuntary Labour	77
Wages	77
Others – please specify	-

5. Provide details of any corrective actions taken or underway to address significant risks /concerns arising from the assessments at Question 4 above.

No significant deviations were observed in relation to aspects described in Question 4 above.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	9,45,80,788 MJ	3,16,53,763 MJ
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	**9,45,80,788 MJ**	**3,16,53,763 MJ**
From non-renewable sources		
Total electricity consumption (D)	58,90,21,262 MJ	62,44,13,675 MJ
Total fuel consumption (E)	8,43,55,540 MJ	7,16,90,971 MJ
Energy consumption through other sources (F)	-	-
Total energy consumed from non- renewable sources (D+E+F)	**67,33,76,802 MJ**	**69,61,04,647 MJ**
Total energy consumed (A+B+C+D+E+F)	76,79,57,590 MJ	72,77,58,406 MJ
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	**2,600 MJ / Lac Rs.**	**2,794 MJ / Lac Rs.**
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	59,488 MJ / Lac Rs.	63,920 MJ / Lac Rs.
Energy intensity in terms of physical output Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any

No site/facilities of the Company is classified as designated consumer under the Performance, Achieve, and Trade (PAT) scheme.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by Source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	3,85,180	3,81,550
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**3,85,180**	**3,81,550**
Total volume of water consumption (in kilolitres)	3,66,585	3,43,983
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	**1,241.1 L/ Lac Rs.**	**1,320.5 L/ Lac Rs.**
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	28,396.5 L / Lac Rs.	30,212.4 L / Lac Rs.
Water intensity in terms of physical output(optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

4. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iv) Sent to third-parties	18,595 Kilo litre	37,567 Kilo litre
- No treatment	-	-
- With treatment - please specify level of treatment	18,595 Kilo litre Tertiary Treatment + RO	37,567 Kilo litre Tertiary Treatment + RO
(v) Others	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
Total water discharged	**18,595 Kilo litre**	**37,567 Kilo litre**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If Yes, provide details of its coverage and implementation.

Yes, our plant operations in India are located in the state of Uttar Pradesh, which has become zero liquid discharge during the year & plant in Rajasthan is already a Zero Liquid Discharge plant. In addition, the effluent from the plants is treated in state-of-the-art ETP/STP and treated through RO system, the treated water is utilized for processes and secondary purposes such as toilet flushing and/or maintaining greenbelt development within the plant premises.

The management of treated effluents generated during the plant operations and their disposal is outlined in the individual plant operating consent orders issued by the respective State Pollution Control Boards, which our plants diligently adhere to. Aligned with these consent orders/authorizations, our plants have implemented comprehensive tertiary treatment to recycle treated effluents for process reuse.

Moving forward, our approach shall embrace a holistic perspective, encompassing all aspects of water sourcing and its efficient utilization. Our ongoing efforts are reducing freshwater usage by increasing treated water in our processes and for other sanitation purposes. Furthermore, efforts are on to increase water augmentation through rainwater harvesting and recharge within the plant and outside premises.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	Micrograms Per Cubic Meter	15.58	15.35
SOx	Micrograms Per Cubic Meter	6.84	6.16
Particulate matter (PM)	Micrograms Per Cubic Meter	26.40	26.57
Persistent organic pollutants (POP)	Micrograms Per Cubic Meter	-	-
Volatile organic compounds (VOC)	Micrograms Per Cubic Meter	-	-
Hazardous air pollutants (HAP)	Micrograms Per Cubic Meter	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

Yes, the results are certified by NABL approved third party lab i.e. Asia Enviro-lab.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	T CO_2e	11413.06	8932.64
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	T CO_2e	232336.35	246296.70
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	T CO_2e / Lac Rs.	0.82	0.98
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	T CO_2e / Lac Rs.	18.74	22.42
Total Scope 1 and Scope 2 emission intensity in terms of physical output Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, our organization is actively engaged in efforts to cut down on greenhouse gas (GHG) emissions from our business activities. We have launched a variety of initiatives to bolster our reliance on renewable energy. The below initiatives have resulted in a cumulative reduction of CO_2:

- The Company has converted 19% of daily energy consumption at one of its plant from thermal to an alternative renewable energy source i.e. solar energy, which is planned to increase to 35% by FY 2024-25
- Company plans to convert 40% of daily energy consumption from thermal to an alternative renewable energy source i.e. solar energy at its other plant
- Rooftop Solar Power is being implemented in Pathredi Plant. Phase 1 will be implemented during FY 2024-25
- Installation of Solar street lights thereby replacing LED light
- Replacement of conventional fans with BLDC fans
- Power saving by modification on machines and improving processes
- Energy saving on Holding furnaces by upgrading electrical controls at specific places and conversion from two-phase electric power to three-phase electric power
- Retrofitting of energy-efficient EC fans in comfort air cooling units and cooling towers
- Usage of PNG to reduce emissions
- Installation of intelligent evaporator for final water treatment
- Contactless temp monitoring system

9. Provide details related to waste management by the entity, in the following format

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	144.68 Metric Ton	119.45 Metric Ton
E-waste (B)	7.67 Metric Ton	5.40 Metric Ton
Bio-medical waste (C)	0.11 Metric Ton	0.03 Metric Ton
Construction and demolition waste (D)	324.00 Metric Ton	570.00 Metric Ton
Battery waste (E)	4.14 Metric Ton	8.79 Metric Ton
Radioactive waste (F)	-	-
Other Hazardous Waste. Please specify, if any. (G)	4255.81 Metric Ton	3800.78 Metric Ton
Other Non Hazardous Waste (H) Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	18161.46 Metric Ton	16412.89 Metric Ton
Total (A+B + C + D + E + F + G + H)	**22897.85 Metric Ton**	**20917.34 Metric Ton**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	77.52 Kg/ Lac Rs.	80.30 Kg/ Lac Rs.
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	1773.72 Kg/ Lac Rs.	1837.19 Kg/ Lac Rs.
Waste intensity in terms of physical output Waste intensity (optional) – the relevant metric may be selected by the entity	-	-

Parameter	FY 2023-24	FY 2022-23
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	14080.32 Metric Ton	13068.15 Metric Ton
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	**14080.32 Metric Ton**	**13068.15 Metric Ton**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	318.81 Metric Ton	180.93 Metric Ton
(ii) Landfilling	279.17 Metric Ton	317.39 Metric Ton
(iii) Other disposal operations	8143.21 Metric Ton	7304.62 Metric Ton
Total	**8741.18 Metric Ton**	**7802.94 Metric Ton**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We prioritize responsible waste management to reduce our environmental impact. We have a system in place to sort waste at generation place into categories like recyclables, organic matter & non-recyclables and we ensure proper disposal through vendors approved by the Pollution Control Board.

We also treat the wastewater produced at our facilities through an ETP and STP. The Company is dedicated to minimizing the use of toxic chemicals, including those used in STP operations and cleaning routines.

Waste management practices are governed by the Consent Orders and hazardous waste authorizations issued by the respective State Pollution Control Boards in our operational areas. Our operations are committed to driving initiatives focused on waste elimination, minimization and recycling in compliance with relevant legal requirements and available opportunities.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format

S.No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the Company complies with the applicable environmental laws/ regulations/ guidelines.

S. No.	Specify the law/ regulation / guidelines which was not complied with	Provide details of the noncompliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information

i) Name of the Area: Pathredi, Rajasthan

ii) Nature of Operations: Manufacturing

iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by Source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	1,14,746	98,732
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	**1,14,746**	**98,732**
Total volume of water consumption (in kilolitres)	**1,14,746**	**98,732**
Water intensity per rupee of turnover (Water consumed / turnover*)	388.48 L/ Lac Rs.	379.01 L/ Lac Rs.
Water intensity (optional) - the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
Total water discharged (in kilolitres)	**-**	**-**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the water audits have been carried out by PHD Chamber of Commerce as per the guidelines of CGWA.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	NA	NA
Total Scope 3 emissions per rupee of turnover	NA	NA	NA
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	NA	NA	NA

Currently, Scope 3 emissions are not being monitored by the Company.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

No

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable. The Company operates from sites which are located in industrial areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
i)	Energy Conservation	- Wall Bracket fans replaced with BLDC fan motors - Thyristor based heating in furnaces - Heat load balancing in melting furnace	The use of the latest technology and solutions has resulted in a significant reduction in energy consumption.
ii)	Use of renewable energy	We have taken significant strides by enhancing the use of renewable energy within our organization.	Our strategic adoption of renewable energy sources has resulted in a significant reduction of our carbon emissions, exemplifying our dedication to environmental sustainability.
iii)	Recycling of wastewater	We have taken a significant step towards environmental conservation by installing in-house ETP/STP and RO water treatment plants to achieve zero liquid discharge status.	The recycling and re-using of processed water allows to reduce our water footprint and promote sustainable water management

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link

Yes, the Company has a Business Continuity Plan (BCP) and disaster management plan designed to address the threat of disruptions to business activities or processes. Business Continuity Planning validates the adequacy of the existing systems and processes to prevent and recover from potential risks. It ensures continuity of delivery of products or services at pre-defined acceptable levels following a disruptive incident. Comprehensive Business Continuity Plans have been made covering all facets of operations and are being tested periodically. Risk mapping is one for all such risks based on their likelihood and impact. Audits and mock drills are regularly being carried out to make the system more robust and to check the healthiness of the emergency response procedure. Regular training is conducted for all the concerned on the use of equipment like fire extinguishers and First-Aid treatment.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

No, there is no significant adverse impact to the environment, arising from the value chain of the entity.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

We have assessed maturity and impact of 51.71% of raw material and packaging material suppliers.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. **a. Number of affiliations with trade and industry chambers/ associations :** 14

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations
i)	Confederation of Indian Industry (CII)	National
ii)	Indo-German Chamber of Commerce	International
iii)	Automotive Component Manufacturers Association of India	National
iv)	Engineering Export Promotion Council	National
v)	PHD Chamber of Commerce and Industry	National
vi)	Indian Trade Promotion Organisation	National
vii)	Association Chamber of Commerce & Industry of Uttar Pradesh	National
viii)	Aluminium Association of India	National
ix)	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
x)	The Associated Chambers of Commerce & Industry in India (ASSOCHAM)	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
NIL		

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

S.No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web Link, if available
Not applicable					

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year**

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes /No)	Results communicated in public domain (Yes /No)	Relevant Web link
The Company has not conducted any social impact assessment					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format**

S.No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
	Not Applicable					

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Company works closely with the community in the identified areas for carrying out the Corporate Social Responsibility initiatives. The Company's CSR department has a community feedback mechanism across all its CSR projects. Any aggrieved individual/group can express their grievances through this annual exercise or a when-required basis. Such mechanism provides people with ample opportunities to gauge and address community concerns.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	6.77 %	4.89 %
Directly from within India	79.10 %	77.85 %

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2023-24	FY 2022-23
Rural	**24%**	**22%**
Semi-urban	-	-
Urban	-	
Metropolitan	**76%**	**78%**
Total	**100%**	**100%**

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban/ metropolitan)

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies**

Not applicable

3. a. **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable groups? (Yes/No)**

No, we don't have a preferential procurement policy.

b. **From which marginalized/ vulnerable groups do you procure?**

The criteria for the selection of goods and services are quality, reliability and cost, the Company gives preference to diversified supply chain partners with micro and small scale industries that meet its quality, delivery, cost and technology expectations.

c. **What percentage of total procurement (by value) does it constitute?**

The Company's Responsible Sourcing Standard describes the requirements and ways of working that are applied together with the suppliers to ensure the sustainable long-term supply of materials and services to the Company.

While the criteria for selection of goods and services are quality, reliability and cost, the Company gives preference to diversified supply chain partners with micro and small-scale industries who meet its quality, delivery, cost and technology expectations.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge**

Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes/ No)	Basis of calculating benefit share
Not Applicable			

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
Not applicable		

6. **Details of beneficiaries of CSR Projects**

S.No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
i)	Healthcare	92,490	100%
ii)	Sanitation Initiatives	19,000	100%
iii)	Rural Development	12,850	100%
iv)	Education	3,800	100%
v)	Self-defence training for girls	1,200	100%
iv)	Vocational Skills Initiatives	140	100%
Besides the above, the Company has also undertaken projects viz. Heritage Preservation and Environment Preservation.			

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company treats customer complaints with utmost priority and believes that it needs to be agile, transparent and solution-oriented to resolve them efficiently and satisfactorily. The Company provides multiple avenues for customers to raise queries or complaints and provide feedback. The Sales/ QA team is in regular touch with the customers to ensure that timely resolution of customer queries is provided. Customers can also voice their concerns via a specific email address or phone number listed on the product packaging.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a % to total turnover
Environmental and social parameters relevant to the product	Nil
Safe and responsible usage	Being done wherever required
Recycling and/or safe disposal	100 %

3. **Number of consumer complaints in the previous financial year**

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	NA	NA	-	NA	NA	-
Restrictive Trade practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Other	Nil	Nil	-	Nil	Nil	-

4. **Details of instances of product recalls on account of safety issues**

	Number	Reasons for Recall
Voluntary Recalls	Nil	-
Forced Recalls	Nil	-

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, the Company has a policy on cyber security and risk related to data privacy.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services, cyber security and data privacy of customers, re-occurrence of instances of product recalls, penalty/ action taken by regulatory authorities on safety of products/ services.**

Not Applicable

7. **Provide the following information relating to data breaches:**

a. Number of instances of data breaches	Not Applicable
b. Percentage of data breaches involving personally identifiable information of customers	
c. Impact, if any, of the data breaches	

Leadership Indicators

1. **Channels/ platforms where information on products and services of the entity can be accessed (provide web link, if available).**

The platforms used for the information are the Company's website, Annual Report, social media platforms and media advertisement/ publications. Information relating to all the products and services provided by the Company is available on the Company's website at https://shrirampistons.com/.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

The Company undertakes extensive training of Channel Partners on the safe fitment of products. This training manual also forms part of product catalogue and a fitment guide also forms part of the overall packing of products. During the training with the Channel Partners, they are made aware of the safe usage of products.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Not Applicable

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes, the Company ensures that all the information required to be displayed on the product labels as per the applicable rules and regulations are properly displayed. Further, safe fitment information forms part of catalogue and is also mentioned on a slip in the packing box.

The Company constantly stays in touch with customers through extensive sales channel and is always abreast of all customer feedback. The Company has also conducted formal surveys as a part of quest to win the TPM Excellence Award from JIPM, Japan.

SHRIRAM®



SPRL's Commitment Towards ESG

PRIORITIZING ECONOMY, ECOLOGY, AND OUR RESPONSIBILITY TO THE ENVIRONMENT, PEOPLE, AND FUTURE GENERATIONS.

At SPRL, we focus on reducing energy, water use, and emissions, using a CO2 balance sheet to track progress. We meet pollution standards, engage employees in sustainability, and collaborate with suppliers who share our commitment. Our efforts aim for long-term environmental goals.

Guiding Principles

We're committed to sustainability. We partner with eco-conscious suppliers, follow global environmental laws, and aim for long-term environmental goals.

USE OF ENERGY-EFFICIENT TECHNOLOGIES

SPRL implements energy conservation through efficient equipment, processes, and upgrades.

Conversion of Diesel Generator Sets on Dual Fuel



D.G. on Diesel Fuel



D.G. With PNG Fuel



Fuel Conversion Kit



Electrical Controls

Normal fans are now converted into BLDC Fans



WATER MANAGEMENT

SPRL prioritizes water conservation by supporting community initiatives and using advanced wastewater treatment plants. Our "Zero Liquid Discharge" plants treat and reuse 100% of wastewater.



Hydrocarbon washing machine-eliminates water for cleaning









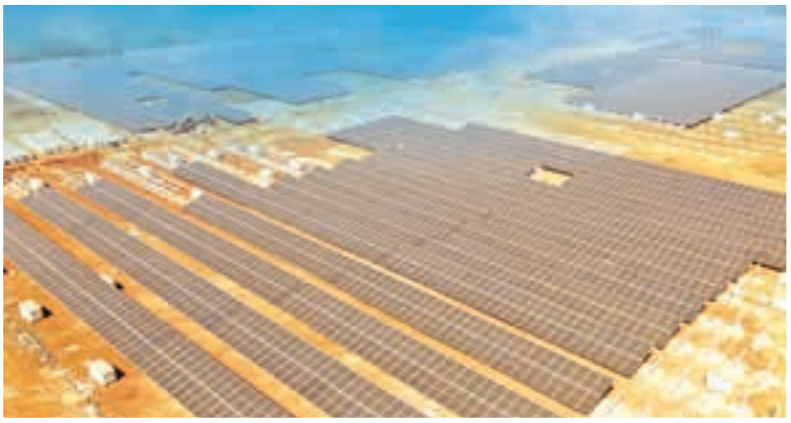


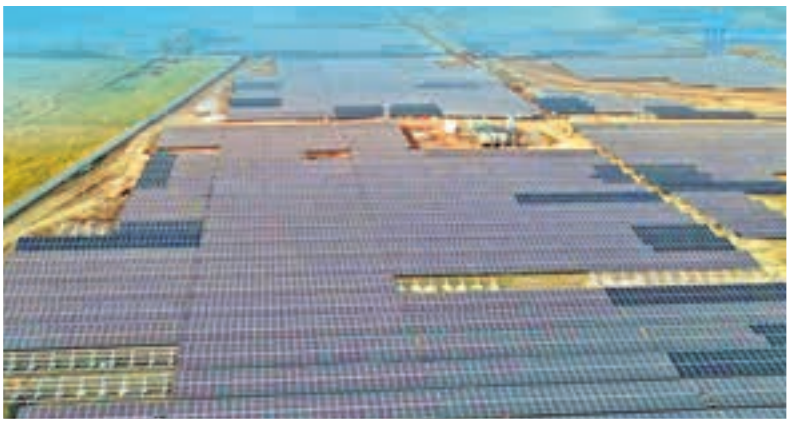


RENEWABLE ENERGY

SPRL is committed to renewable energy, sourcing 20% of Ghaziabad plant's power from solar. Pathredi plant's rooftop solar project is underway, aiming for 10% solar power contribution.







SUSTAINABLE PACKAGING

We adopt advanced technologies to promote recycling. Our processes aim to improve packaging quality, use returnable crates, and eliminate wooden pallets.



Returnable bins floor



Use of Plastic Pallets



Use of Coco Pallets in place of Wooden Pallets

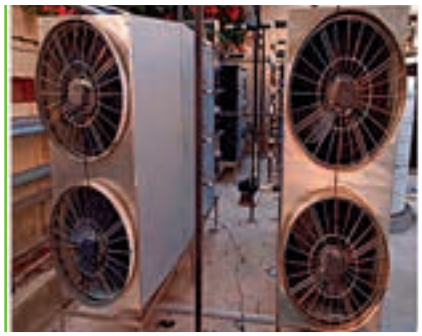
OCCUPATIONAL HEALTH, SAFETY AND ENVIRONMENTAL SUSTAINABILITY

Health, safety, and environmental sustainability are key components of our company policy. We provide a safe, healthy work environment with appropriate facilities and protective equipment. All workplaces are regularly inspected for potential hazards and hazardous substances to prevent accidents.

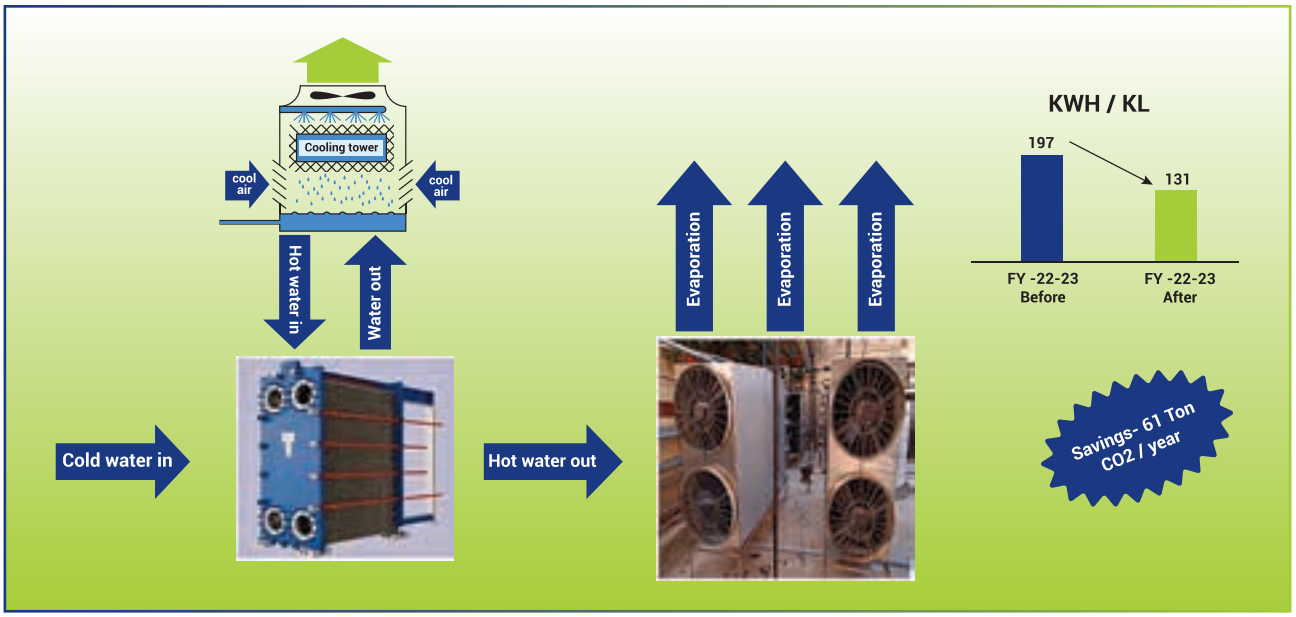


ENVIRONMENTAL SUSTAINABILITY

High efficiency evaporator technology introduction in ZLD Plant to minimise MEE Usage







SHRIRAM®

SIMULATION

- Piston FEA
- Engine Valve FEA
- Ring Dynamic
- Piston Dynamic
- Casting
- CFD Simulation

PROTO LINE

- Piston Sample Manufacturing Facility
- Rapid Prototyping

RIG TESTING

- Hydro-Pulsator
- Wear & Tear
- Coating Scuffing

ENGINE TESTING

- Performance
- Endurance
- Cold & Hot Scuff
- Micro-welding
- Temperature

CONCEPT DESIGN

- Concept Design
- Design Algorithm
- CAD Platforms

LAB ANALYSIS

- Fine Measurements
- 3D Scanning
- SCM Analysis
- Metallurgic Analysis

END TO END PRODUCT DEVELOPMENT FACILITY



Recognition by DSIR- Govt. of India

Independent Auditor's Report

To the Members of Shriram Pistons & Rings Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Shriram Pistons & Rings Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. 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 theIndian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matter

4. 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 financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Matter: Revenue Recognition

Key audit matter	How our audit addressed the key audit matter
Revenue Recognition of sale of products (Refer note 2.A.10 to the accompanying standalone financial statements for material accounting policy on revenue recognition and 24 for the details of revenue recognised during the year.) Revenue from contracts with customers for the year ended 31 March 2024 is Rs. 29,083.22 million. The Company recognizes revenue from sale of products upon satisfaction of its performance obligation, i.e., transfer of control to the customer in accordance with the principles of Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115'). Revenue, being one of the key performance indicators of the Company and its external stakeholders, is subject to high inherent risk of material misstatement, and is therefore determined to be an area involving significant risk in line with the requirements of the Standards on Auditing which required significant auditor attention.	Our audit procedures in relation to revenue recognition included, but were not limited to, the following: a) Understood the nature of revenue transactions, revenue recognition process and evaluated the appropriateness of the accounting policy adopted by the management in accordance with Ind AS 115; b) Evaluated the design and tested operating effectiveness of key controls around revenue recognition for a sample of transactions; c) Performed substantive testing on selected samples of revenue transactions recorded during the year, and transactions recorded during specific period before and after year end, by inspecting supporting documents such as customer contracts/ purchase orders, invoices, shipment terms, proofs of dispatch and delivery etc., to ensure the accuracy and completeness of revenue recorded for such transactions;

Further, due to varying shipment terms with its customers across its operating markets, considerable efforts are required by the management on determining the timing of revenue recognition according to Ind AS 115. Considering the above along with the significance of amount, volume of transactions and varied terms of contracts with customers, we have identified revenue recognition as a key audit matter for the current year audit.	d) Performed substantive analytical procedures on revenue recognised during the year such customer wise variance analysis, product wise analysis, to identify any unusual and/or material variances; e) Tested unusual non-standard journal entries impacting revenue, selected based on risk-based criteria and f) Evaluated the appropriateness and adequacy of disclosures made in the accompanying standalone financial statements in respect of revenue recognition in accordance with financial reporting framework.

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and

appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. 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.

13. 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.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Matter

15. The standalone financial statements of the Company for the year ended 31 March 2023 were audited by the predecessor auditor, Deloitte Haskins & Sells, who have expressed an unmodified opinion on those standalone financial statements vide their audit report dated 08 May 2023.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

18. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, 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 purpose of our audit of the accompanying standalone financial statements;

    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 except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

c) The standalone financial statements dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;

f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 18(b) above on reporting under section 143(3)(b) of the Act and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and

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

i. The Company, as detailed in note 41 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;

iv. a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 43 (i) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 43 (iii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year ended 31 March 2024 and until the date of this audit report is in compliance with section 123 of the Act.

The final dividend paid by the Company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 15 (g) to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2024 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2023, has used an accounting software (SAP ECC) for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software except that, audit trail feature was not enabled at database level to log any direct data changes, as described in note 66 to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.001076N/N500013

Arun Tandon
(Partner)
Membership No. 517273
UDIN: 24517273BKEXFL6263

Place: New Delhi
Date: 13 May 2024

Annexure A referred to in paragraph 17 of the Independent Auditor's Report of even date to the members of Shriram Pistons and Rings Limited on the standalone financial statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The property, plant and equipment, capital work-in-progress, and relevant details of right-of-use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in note 3 and 6 to the standalone financial statements, are held in the name of the Company. For title deeds of immovable properties in the nature of land as tabulated below have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.

(Amount in Rs. million)

S.No.	Land situated at	Gross carrying value as at 31 March 2024
1	Meerut Road Industrial Area -Ghaziabad, Uttar Pradesh	96.17
2	Industrial Area - Pathredi, Rajasthan	194.99
3	Industrial Area Site, Bulandshahr Road, Ghaziabad	137.89

(d) The Company has adopted cost model for its Property, Plant and Equipment including right-of-use assets and intangible assets. Accordingly, reporting under clause 3(i)(d) of Companies (Auditor's Report) Order 2020 (hereinafter referred to as 'the Order') is not applicable to the Company.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have been confirmed by the third parties and in respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.

(b) As disclosed in note 51 to the accompanying standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 5 crores by banks based on the security of current assets. The quarterly statements for the quarters ended 31 March 2023, 30 June 2023, 30 September 2023 and 31 December 2023, in respect of the working capital limits have been filed by the Company with the relevant bank during the year, and such statements are in agreement with the books of account of the Company for the respective periods, which were subject to audit/review. Further, the Company is yet to submit the quarterly statement for the quarter ended 31 March 2024 with the relevant bank as on date.

(iii) The Company has not provided any security to companies, firms, limited liability partnerships during the year. The Company has also not made investments in, provided any guarantee or granted any loans or advances in the nature of loans to firms and limited liability partnerships. Further, the Company has made investments in, provided guarantee and granted unsecured loans or advances in the nature of loans to companies, or any other parties during the year, in respect of which:

(a) The Company has provided loans, advances in the nature of loans and guarantee to Subsidiaries/Others during the year as per details given below:

(Amount in Rs. million)

Particulars	Guarantees	Loans	Advances in the nature of loans
Aggregate amount provided/granted during the year:			
- Subsidiaries	1,100.00	168.40	-
- Others	-	-	0.12
Balance outstanding as at balance sheet date in respect of above cases:			
- Subsidiaries	1,100.00	-	-
- Others	-	-	2.95

(b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company. The Company has not given any security during the year.

(c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.

(d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.

(e) The Company has granted loans or advances in the nature of loans which had fallen due during the year and were repaid on or before the due date. Further, no fresh loans were granted to any party to settle the overdue loans/ advances in nature of loan.

(f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans and investments made and guarantees provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 186 of the Act in respect of security provided by it.

(v) In our opinion, and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India ('the RBI'), the provisions of sections 73 to 76 or other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) as applicable, with regard to the deposits accepted or amounts which have been considered as deemed deposits. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any Court or any other Tribunal, in this regard.

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

(Amount in Rs. million)

Name of the statute	Nature of dues	Gross Amount	Amount paid under Protest	Period to which the amount relates	Forum where dispute is pending
Income tax- Act, 1961	Income tax	79.15	79.15	2003-04, 2004-05, 2015-16, 2016-17, 2017-18, 2018-19, 2020-21, 2022-23	Appellate authority up to Commissioners' level
Finance Act, 1994	Service tax	19.79	0.51	2012-13, 2013-14, 2014-15, 2015-16	Custom, Excise & Service Tax Appellate Tribunal (CESTAT)
Central Sales Tax Act, 1956	Sales Tax	1.72	0.41	2012-13, 2015-16	Appellate Tribunal
Sales Tax Laws	Sales Tax / Value Added Tax/ Entry Tax	54.92	8.41	2007-08, 2008-09, 2016-17, 2017-18	Appellate authority up to Commissioners' level
		37.93	14.37	2010-11, 2011-12, 2012-13, 2015-16	Appellate Tribunal
Goods and Services Tax Act, 2017	Goods and Services Tax	10.44	0.81	2017-18	Appellate authority up to Commissioners' level

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.

(e) According to the information and explanations given to us and 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 subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

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

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) The Company has entered into non-cash transactions with 2 of its directors/ persons connected with its directors during the year involving the issue of bonus shares by the Company, which is covered under the provisions of section 192 of the Act, and in our opinion and according to the information and explanations given to us, the Company has complied with the provisions of aforesaid section of the Act, by way of obtaining prior approval of shareholders in the general meeting of the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility pertaining to other than ongoing projects as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has transferred the remaining unspent amounts towards Corporate Social Responsibility (CSR) under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.001076N/N500013

Arun Tandon
(Partner)
Membership No. 517273
UDIN: 24517273BKEXFL6263

Place: New Delhi
Date: 13 May 2024

Annexure B

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Shriram Pistons & Rings Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.

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

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.001076N/N500013

Arun Tandon
(Partner)
Membership No. 517273
UDIN: 24517273BKEXFL6263

Place: New Delhi
Date: 13 May 2024

Standalone Balance Sheet as at 31 March 2024

Rs. million

	Note No.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	5,235.07	5,374.25
b) Capital work-in-progress	4	93.48	45.73
c) Goodwill	5	14.85	14.85
d) Other intangible assets	5	193.08	213.67
e) Right of use assets	6	631.45	662.92
f) Financial assets			
(i) Investments	7	3,578.96	1,248.00
(ii) Other financial assets	9	1,564.07	865.96
g) Other non-current assets	11	344.00	270.96
		11,654.96	**8,696.33**
Current assets			
a) Inventories	12	3,536.21	3,315.82
b) Financial assets			
(i) Investments	8	373.07	674.97
(ii) Trade receivables	13	4,418.82	3,956.64
(iii) Cash and cash equivalents	14	306.57	285.38
(iv) Other bank balances other than (iii) above	14	7,500.50	5,923.77
(v) Other financial assets	9	371.41	199.37
c) Other current assets	11	555.13	298.88
		17,061.71	**14,654.83**
TOTAL ASSETS		**28,716.67**	**23,351.16**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	15	440.50	220.25
b) Other equity	16	19,058.07	15,075.28
		19,498.57	**15,295.53**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	17	1,052.23	1,372.91
(ii) Lease liabilities	38	214.52	228.59
(iii) Other financial liabilities	23	27.18	90.13
b) Provisions	18	300.22	287.22
c) Deferred tax liabilities (net)	20	240.12	220.87
d) Other non-current liabilities	19	19.75	4.40
		1,854.02	**2,204.12**
Current liabilities			
a) Financial liabilities			
(i) Borrowings	21	2,355.93	1,528.48
(ii) Lease liabilities	38	54.36	63.31
(iii) Trade payables	22		
- Total outstanding dues of micro enterprises and small enterprises		95.44	125.48
- Total outstanding dues of creditors other than micro enterprises and small enterprises		3,180.20	2,769.69
(iv) Other financial liabilities	23	888.93	663.06
b) Other current liabilities	19	554.89	526.92
c) Provisions	18	150.38	137.61
d) Current tax liabilities (net)	10	83.95	36.96
		7,364.08	**5,851.51**
TOTAL EQUITY AND LIABILITIES		**28,716.67**	**23,351.16**
See accompanying notes to the standalone financial statements	1-66		

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 13 May 2024

Standalone Statement of Profit and Loss for the year ended 31 March 2024

Rs. million

		Note No.	For the Year ended 31 March 2024	For the Year ended 31 March 2023
I	Revenue from operations	24	29,537.16	26,050.26
II	Other income	25	813.36	462.30
III	**Total income (I+II)**		**30,350.52**	**26,512.56**
IV	**Expenses**			
	Cost of materials consumed	26	10,738.17	9,888.32
	Purchase of stock-in-trade		876.14	973.42
	(Increase) / decrease in inventories of finished goods, work-in-progress and stock-in-trade	27	(39.54)	81.74
	Employee benefits expense	28	4,449.53	4,088.50
	Finance costs	29	251.58	194.45
	Depreciation and amortisation expense	30	873.75	933.42
	Other expenses	31	7,212.29	6,383.51
	Total expenses		**24,361.92**	**22,543.37**
V	**Profit before tax (III-IV)**		**5,988.60**	**3,969.19**
VI	**Tax expense:**			
	i) Current tax	10	1,523.83	1,045.88
	ii) Deferred tax	20	(2.87)	(32.27)
			1,520.96	**1,013.61**
VII	**Profit for the year (V-VI)**		**4,467.64**	**2,955.58**
VIII	Other comprehensive income			
	A (i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the post employment defined benefit plans		89.69	117.17
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(22.57)	(29.49)
	B (i) Items that will be reclassified to profit or loss			
	a) Fair value change of cash flow hedge		(1.78)	13.87
	(ii) Income tax relating to items that will be reclassified to profit or loss		0.45	(3.49)
	Total other comprehensive income		**65.79**	**98.06**
	Total comprehensive income (VII+VIII)		**4,533.43**	**3,053.64**
	Earnings per share (of Rs. 10/- each)	33		
	Basic (Rs)		101.42	67.10
	Diluted (Rs)		101.42	67.10
	See accompanying notes to the standalone financial statements	1-66		

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 13 May 2024

Standalone Statement of Cash flows for the year ended 31 March 2024

Rs. million

			Year ended 31 March 2024	Year ended 31 March 2023
A.	**Cash flow from operating activities**			
	Profit before tax		**5,988.60**	**3,969.19**
	Adjustments for :			
	Depreciation/amortisation (refer note 30)		873.75	933.42
	Finance costs (refer note 29)		251.58	194.45
	Bad debts/advances written off (refer note 31)		1.89	0.51
	Provision for doubtful debts (net) (refer note 31)		1.87	6.55
	Interest income		(631.62)	(319.23)
	Net gain on sale/ fair valuation of current investment		(32.42)	(32.25)
	Unrealised exchange rate variation (net)		(42.37)	(27.24)
	Investment written off		-	0.50
	Loss / (profit) on sale / write off / retirement of property, plant and equipment		3.22	(30.90)
	Operating profit before working capital changes		**6,414.50**	**4,695.00**
	Adjustments for:			
	(Increase)/ decrease in inventories		(220.39)	18.97
	(Increase)/ decrease in trade receivables		(449.05)	(395.66)
	(Increase)/ decrease in loans and other financial assets (current and non current)		8.26	(36.10)
	(Increase)/ decrease in other assets (current and non current)		(256.82)	(12.45)
	Increase/ (decrease) in trade payables		388.31	322.83
	Increase/ (decrease) in other financial liabilities (current and non current)		220.51	221.24
	Increase/ (decrease) in other liabilities and provisions (current and non current)		113.68	216.51
	Cash generated from operations		**6,219.00**	**5,030.34**
	Income tax paid		(1,476.84)	(1,038.80)
	Net cash generated from operating activities	**(A)**	**4,742.16**	**3,991.54**
B.	**Cash flow from investing activities**			
	Interest received		452.10	189.39
	Sale of property, plant and equipment		21.76	55.02
	Proceeds from right of use assets (land)		-	259.74
	Investment in equity shares		(2,300.00)	(1,200.00)
	Purchase of property, plant and equipment		(806.63)	(484.09)
	Purchase of intangible assets		(21.93)	(130.81)
	Purchase of current investment		(14,637.30)	(14,201.52)
	Proceeds from sale of current investment		14,971.62	13,830.54
	Investment in margin money with banks		-	(50.44)
	Proceeds from redemption of investment in margin money with banks		50.44	0.73
	Investment in deposit with banks		(2,927.58)	(3,213.31)
	Proceeds from redemption of deposit with banks		601.52	79.63
	Net cash (used) in investing activities	**(B)**	**(4,596.00)**	**(4,865.12)**

Standalone Statement of Cash flows for the year ended 31 March 2024

Rs. million

			Year ended 31 March 2024	Year ended 31 March 2023
C.	**Cash flow from financing activities**			
	Repayment of lease liabilities		(62.83)	(81.37)
	Interest paid on lease liability		(24.80)	(22.04)
	Interest paid on borrowing		(206.85)	(168.20)
	Dividend paid		(330.37)	(308.35)
	Proceeds from non-current borrowings		143.40	1,350.77
	Repayment of non-current borrowings		(189.38)	-
	Movement in short-term borrowings (net)		777.94	397.76
	Proceeds from deposits		0.00	11.33
	Payment of deposits		(232.08)	(206.12)
	Net cash (used) in / generated from financing activities	**(C)**	**(124.97)**	**973.78**
	Net increase in cash and cash equivalents	**(A+B+C)**	**21.19**	**100.20**
	Cash and cash equivalents at the beginning of the year		**285.38**	**185.18**
	Cash and cash equivalents at the end of the year		**306.57**	**285.38**
	Components of cash and cash equivalents (refer note 14)			
	Cash in hand			
	Balances with banks		0.37	0.43
	- current accounts		56.20	284.95
	- Deposits with banks, with original maturity less than 3 months		250.00	-
			306.57	**285.38**

Notes to statement of cash flows:

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7.

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

For and on behalf of the Board of Directors

Arun Tandon
Partner
Membership no. 517273

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 13 May 2024

Standalone Statement of Change in Equity as at 31 March 2024

a) Fully paid up equity shares

(face value of Rs. 10/- each)

	Nos of shares	Amount Rs. million
Balance as at 31 March 2022	2,20,24,912	220.25
Add: Issued during the year	-	-
Balance as at 31 March 2023	22,024,912	220.25
Add: - Issued during the year (refer note 53)	22,024,912	220.25
Balance as at 31 March 2024	**44,049,824**	**440.50**

(b) Other Equity

Rs. million

Particulars	Reserves and surplus						Items of other comprehensive income	Total
	Preference share redemption reserve*	Capital redemption reserve*	Revaluation reserve*	Retained earnings	General reserve	Sub Total	Effective portion of cash flow hedge reserve	
Balance as at 31 March 2022	388.58	3.50	97.29	1,300.00	10,550.69	12,340.06	(10.05)	12,330.01
Profit for the year	-	-	-	2,955.58	-	2,955.58	-	2,955.58
Reversal on disposal of revalued assets	-	-	(0.02)	-	-	(0.02)	-	(0.02)
Dividends	-	-	-	(308.35)	-	(308.35)	-	(308.35)
Other comprehensive income for the year, net of tax	-	-	-	87.68	-	87.68	10.38	98.06
Transfer to general reserve	-	-	-	(2,734.91)	2,734.91	-	-	-
Balance as at 31 March 2023	**388.58**	**3.50**	**97.27**	**1,300.00**	**13,285.60**	**15,074.95**	**0.33**	**15,075.28**
Profit for the year	-	-	-	4,467.64	-	4,467.64	-	4,467.64
Used for issuance of bonus shares	(220.25)	-	-	-	-	(220.25)	-	(220.25)
Reversal on disposal of revalued assets	-	-	(0.02)	-	-	(0.02)	-	(0.02)
Dividends (refer note 15 h)	-	-	-	(330.37)	-	(330.37)	-	(330.37)
Other comprehensive income for the year, net of tax	-	-	-	67.12	-	67.12	(1.33)	65.79
Transfer to general reserve	-	-	-	(4,204.39)	4,204.39	-	-	-
Balance as at 31 March 2024	**168.33**	**3.50**	**97.25**	**1,300.00**	**17,489.99**	**19,059.07**	**(1.00)**	**19,058.07**

* The revaluation reserve, preference share redemption reserve and capital redemption reserve are not "free reserve" as per Companies Act 2013, hence not available for distribution of dividend.

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 13 May 2024

Notes to the standalone financial statements for the year ended 31 March 2024

1. Corporate information

Shriram Pistons & Rings Limited ("the Company") having CIN No.- L29112DL1963PLC004084 is a public Company domiciled in India and incorporated on 9 December 1963 under the provisions of the Companies Act, applicable in India. Its equity share is listed on National Stock Exchange of India Ltd. The registered office of the Company is located at 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi 110001.

The Company's business activity falls under "automotive component". Primary products manufactured by the Company are pistons, piston pins, piston rings and engine valves.

The financial statements of the Company are approved for issuance by the Company's Board of Directors on 13 May 2024.

2. (A) Material accounting policy information

2.A.1.1 Basis of accounting and preparation of financial statements

The Standalone financial statements ("financial statements") have been prepared in accordance with the Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 and Companies (Indian Accounting Standards) Amendment Rules, 2017 issued by the Ministry of Corporate Affairs ('MCA').

The financial statements have been prepared under historical cost convention on accrual and going concern basis, except for the following assets and liabilities:-

i) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

ii) Investments in unquoted equity shares measured at fair value

iii) Defined benefit liabilities are measured at present value of defined benefit obligation.

iv) Certain financial assets and liabilities at amortised cost

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The buyback of equity shares and related transaction costs are recorded as reduction of retained earnings/ general reserves. Capital redemption reserve is created as an apportionment from general reserves.

The financial statements are presented in INR "(Indian Rupees)" and all values are rounded to the nearest million, except when otherwise indicated.

2.A.1.2 Fair value measurement

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

- Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities

Notes to the standalone financial statements for the year ended 31 March 2024

- Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

- Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data..

2.A.1.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification

The Company classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it is expected to be settled in normal operating cycle;
- it holds the liability for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

The Company's normal operating cycle is twelve months.

2.A.1.4. Significant accounting judgements, estimates and assumptions.

The preparation of the financial statements is in conformity with Indian Accounting Standards (Ind AS) and requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise information, about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Standalone Financial Statements is included in the following notes.

- Deferred tax: Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Notes to the standalone financial statements for the year ended 31 March 2024

- Impairment of financial assets and non-financial assets: The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.
- Useful lives of depreciable/amortisable assets: Value of property, plant and equipment and intangibles at the end of each reporting period. Factors such as changes in the expected level of usage could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and may have an impact on the profit of the future years.
- Estimation of defined benefit obligation: Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- Estimation for expected credit losses of trade receivables: Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management believes that there is uncertainty of collections. Provision is recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.
- Incremental rate of borrowing for lease accounting: The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

2.A.2.1. Property, plant and equipment

Property, plant and equipment held for use in production or supply of goods and services, or for administrative purpose, are stated at historic cost, net of accumulated depreciation (net of input tax credits availed) including taxes and other incidental expenses related to acquisition, installation and borrowing cost on loan taken for the acquisition of qualifying assets upto the date the assets are ready for their intended use. Subsequent measurement of property, plant and equipment is done in accordance with cost model.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

Subsequent expenditure can be capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the company.

An item of property, plant and equipment is derecognised on disposal, or when no future economic benefit are expected to arise from the continued use of assets. Any gain and loss arising on the disposal of or retirement is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the statement of profit and loss.

2.A.2.2. Intangible assets

Intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the entity and the cost of the asset can be reliably measured.

Notes to the standalone financial statements for the year ended 31 March 2024

Intangible assets held for use in production or supply of goods and services, or for administrative purpose, are stated at are stated at historic cost, net of accumulated depreciation (net of input tax credits availed) including taxes and other incidental expenses related to acquisition, installation and borrowing cost on loan taken for the acquisition of qualifying assets upto the date the assets are ready for their intended use. Subsequent measurement of intangible assets is done in accordance with cost model.

An item of intangible asset is derecognised on disposal, or when no future economic benefit are expected to arise from the continued use of assets. Any gain and loss arising on the disposal of or retirement is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the statement of profit and loss.

2.A.2.3. Capital work-in-progress

Capital work-in-progress represents expenditure incurred in respect of capital projects under development and are carried at cost. Cost includes related acquisition expenses, development/ construction costs, borrowing costs and other direct expenditure. Subsequent measurement of capital work-in-progress is done in accordance with cost model.

2.A.2.4. Leases

Lessee accounting

1. Lease liability is recognised at the commencement of lease and measured at an amount equal to the present value of minimum lease payments during the lease term that are not yet paid.
2. Right of use asset is recognised at the commencement of lease and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of the restoration costs and any initial direct costs incurred by the lessee. Right-of-use assets are amortized on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets and impairment loss. Subsequent measurement of right-of-use assets is done in accordance with cost model.
3. The lease liability is measured in subsequent periods using the effective interest rate method.
4. Recognition and measurement exemption is availed for low-value assets and short term leases. Assets of low value include IT equipment or office furniture. No monetary threshold has been defined for low-value assets. Short-term leases are defined as leases with a lease term of 12 months or less.

2.A.3 Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

The Company is following written down value method in case of Furniture, fixtures and office equipment and straight line method in respect of other assets.

Depreciation on tangible property, plant and equipment has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the certain categories of assets, in whose case the life of the assets has been assessed based on technical advice, taking into account the nature, the estimated usage, operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance practices etc. Followings are the estimated useful lives of various category of assets used:

Factory building	-	thirty years
Office building	-	sixty years
Plant and equipment		
- General	-	twenty years
- Electric installation / equipment	-	fifteen years
- Dies	-	three years

Notes to the standalone financial statements for the year ended 31 March 2024

Road	-	twenty years
Bore well	-	fifteen years
Vehicle	-	five years
Furniture and fixture / Office equipment	-	five years

All intangible assets are amortised on straight-line method over their estimated useful life as under.

Computer software	-	three years
Product design	-	three years
Enabling assets	-	fifteen years
Right of use assets under leases	-	over the lease period
Trademarks acquired on acquisition	-	ten years
Customer contracts acquired on acquisition	-	ten years

Assets costing up to Rs. 5,000 are fully depreciated in the year of acquisition.

Depreciation on assets acquired/sold/discarded during the year is charged on pro-rata basis except for furniture, fixtures and equipments where full year's depreciation is computed in the year of acquisition and no depreciation is provided in the year of sale.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and the effect of any changes in estimate is accounted for on a prospective basis.

2.A.4. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

Financial assets

All regular way purchases or sales of financial assets are accounted for at trade date basis. Regular way purchases or sales are purchase or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost

i) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

i) The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to the standalone financial statements for the year ended 31 March 2024

Financial assets at fair value through profit or loss

Financial asset which are not classified in any of the above categories are subsequently measured at fair value through profit or loss (FVTPL).

Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. The average credit period is 55 days.

Investments

Investment in subsidiaries are carried at cost less impairment losses, if any. Any permanent diminution in the value of investments is provided for in the books of account.

Investments in mutual funds and investment in equity instrument are measured at fair value through profit or loss.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost or at fair value through profit or loss (FVTPL). For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Fair value is determined in the manner described in note no 44.

2.A.5. 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.

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 the statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

(i) Financial assets or financial liabilities, at fair value through profit or loss.

This category has derivative financial assets or liabilities which are not designated as hedges. Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through the statement of profit and loss and the resulting exchange gains or losses are included in the statement of profit and loss. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance sheet date.

(ii) Hedge accounting

The Company designates the derivatives as hedge of foreign exchange risk associated with the cash flows of highly probable forecast transaction.

The Company documents at the inception of the hedging transaction the economic relationship between hedging instrument and hedge items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

Notes to the standalone financial statements for the year ended 31 March 2024

When forward contracts are used to hedge forecast transactions, the Company generally designates related forward contract related as the hedging instruments.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognised in other comprehensive income and accumulated under the heading of cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to the statement of profit and loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. For the same, Company matches critical terms of hedge item and hedge instruments.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction and cross currency interest rate swap transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction and cross currency interest rate swap transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

Fair value is determined in the manner described in note no 44.

2.A.6. Employee benefits

Retirement benefit costs and termination benefits:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Contribution towards Provident Fund and Superannuation Fund is paid as per the statutory provisions/ Company's scheme. These benefits are charged to the statement of profit and loss of the year when they become due. For the provident fund trust administrated by the trustees, the Company is liable to meet the shortfall, if any, in payment of interest at the rates declared by Central Government and such liability is recognised in the year of shortfall. For defined post-employment employee benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

i) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

ii) Net interest expense or income; and

iii) Re-measurement.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Notes to the standalone financial statements for the year ended 31 March 2024

Leave availment / encashment benefit is provided as per Company's scheme. Employees are entitled to accumulate leaves subject to certain limit as per Company's scheme.

Liabilities for compensated absence that are not expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service, are measured at the present value of expected future payment to be made in respect of service provided by employees up to the end of reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of reporting period. Remeasurement as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss.

Employee benefits in the form of long service awards is provided as per Company scheme. The liability is determined through actuarial valuation using projected unit credit method.

2.A.7. Taxes on income

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.A.8. Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

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

2.A.9. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.

When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.

Notes to the standalone financial statements for the year ended 31 March 2024

2.A.10. Revenue recognition

Sale of products/services

Revenue from the sale of products or services is recognised upon transfer of control to customers. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example, taxes and duties collected on behalf of the government). A receivable is recognized upon satisfaction of performance obligations as per the contracts and is measured at transaction price.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Export benefits

Export benefit entitlements is in the nature of income, and are recognised when the right to receive benefit is established in respect of the exports made and the realisation is reasonably certain.

2.A.11. Inventories

Inventories are valued at lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition is accounted for as follows:

i) **Raw materials, loose tools and store and spares :** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Raw materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

ii) **Work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

iii) **Finished goods:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

iv) **Stock-in-trade:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(B) Other accounting policy information

2.B.1. Other income

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the interest rate as applicable.

Notes to the standalone financial statements for the year ended 31 March 2024

Miscellaneous income

Other revenues are recognised on accrual basis, except where there are uncertainties in realisation / determination of income and in such case income is recognised on realisation / certainty.

2.B.2. Research and development

Revenue expenditure on research and development, inclusive of dies for new model development, is charged as expense in the year in which incurred. Capital expenditure is included in property, plant, equipment and intangible assets.

2.B.3. Borrowing costs

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 the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

2.B.4. Earnings per share

Basic earnings per share is calculated by dividing profit or loss attributable to the owners of the Company by weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split and any new equity issue.

For the purpose of calculating diluted earnings per share, profit or loss attributable to the owners of the Company and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.B.5. Impairment of assets

The carrying values of Property, plant and equipment, right of use assets and intangible assets or cash generating units are reviewed at each Balance sheet date for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the statement of profit and loss.

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

2.B.6. Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. The Company is primarily engaged in the manufacturing and assembling of automotive components for the automotive industry. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risk and returns hence CODM reviews as one balance sheet component.

Notes to the standalone financial statements for the year ended 31 March 2024

2.B.7. Foreign currency transactions and translations

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing on or closely approximating to the date of transaction.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except exchange differences on transactions entered into in order to hedge certain foreign currency risks.

For foreign currency denominated financial assets measured at amortised cost or FVTPL, the exchange differences are recognised in statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.

(C) Recent accounting pronouncements which are not yet effective

As on the date of these standalone financial statements, Ministry of Corporate Affairs ('MCA') has not issued any standards/amendments to accounting standards which are effective from 1 April 2024.

Notes to the standalone financial statements for the year ended 31 March 2024

3. Property, plant & equipment

Rs. million

Particulars	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Dies	Total
As at 31 March 2023							
Gross carrying amount							
Opening gross carrying amount	1,632.06	9,530.36	60.35	126.18	201.95	159.78	11,710.68
Additions	34.15	301.15	6.08	47.54	36.02	41.56	466.50
Disposals	(1.99)	(9.97)	(5.97)	(128.09)	(17.31)	(16.96)	(180.29)
Closing gross carrying amount as at 31 March 2023	**1,664.22**	**9,821.54**	**60.46**	**45.63**	**220.66**	**184.38**	**11,996.89**
Accumulated depreciation							
Opening accumulated depreciation	422.91	5,121.35	48.51	86.80	154.79	112.97	5,947.33
Depreciation charged during the year	66.09	680.52	6.17	20.35	31.25	22.52	826.90
Disposals	(1.52)	(6.93)	(5.33)	(107.15)	(14.61)	(16.05)	(151.59)
Closing accumulated depreciation as at 31 March 2023	**487.48**	**5,794.94**	**49.35**	**-**	**171.43**	**119.44**	**6,622.64**
Net carrying amount as at 31 March 2023	**1,176.74**	**4,026.60**	**11.11**	**45.63**	**49.23**	**64.94**	**5,374.25**
As at 31 March 2024							
Gross carrying amount							
Opening gross carrying amount	1,664.22	9,821.54	60.46	45.63	220.66	184.38	11,996.89
Additions	28.55	483.68	10.23	-	73.60	39.97	636.03
Disposals	(0.44)	(34.32)	(4.90)	(9.59)	(25.35)	(10.10)	(84.70)
Closing gross carrying amount as at 31 March 2024	**1,692.33**	**10,270.90**	**65.79**	**36.04**	**268.91**	**214.25**	**12,548.22**
Accumulated depreciation							
Opening accumulated depreciation	487.48	5,794.94	49.35	-	171.43	119.44	6,622.64
Depreciation charged during the year	65.47	597.38	8.07	9.63	48.17	29.66	758.38
Disposals	(0.20)	(24.76)	(4.43)	(7.00)	(21.89)	(9.59)	(67.87)
Closing accumulated depreciation as at 31 March 2024	**552.75**	**6,367.56**	**52.99**	**2.63**	**197.71**	**139.51**	**7,313.15**
Net carrying amount as at 31 March 2024	**1,139.58**	**3,903.34**	**12.80**	**33.41**	**71.20**	**74.74**	**5,235.07**

Notes:

i) The Company has not revalued property, plant and equipment during the year.

ii) The title deeds of immovable properties are held in the name of the Company as at the balance sheet date.

iii) The above assets are pledged as security against borrowings, refer note no. 17 and 21.

Notes to the standalone financial statements for the year ended 31 March 2024

4. Capital-Work-in Progress (CWIP)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	45.73	46.94
Additions during the year	615.53	389.68
Capitalised / adjusted during the year	(567.78)	(390.89)
Balance at the end of the year	**93.48**	**45.73**

Note:

1. The capital-work-in-progress mainly consist of property, plant and equipment under construction / installation and which are not ready for use at year end.
2. There are no such projects under capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan as of 31 March 2024 and 31 March 2023.

Capital-work-in progress ageing schedule is as under:

Rs. million

Particulars	As on 31 March 2024				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	91.98	-	-	-	91.98
Projects temporarily suspended	-	1.50	-	-	1.50

*The projects in progress as on 31st March 2022, will be completed within 1 year.

Particulars	As on 31 March 2023				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	45.13	0.31	0.29	-	45.73
Projects temporarily suspended	-	-	-	-	-

Notes:

a) The above assets are pledged as security against borrowings, refer note no. 17 and 21.

b) *The projects in progress as on 31 March 2024 will be completed within 1 year.

5. Goodwill and other intangible assets

Rs. million

Particulars	Goodwill	Other intangible assets						Grand Total
		Computer software	Product design and development	Enabling assets	Customer contracts	Trademarks	Sub total	
As at 31 March 2023								
Gross carrying amount								
Opening gross carrying amount	14.85	88.62	72.47	85.59	114.36	103.78	464.82	479.67
Additions	-	7.11	19.80	-	-	-	26.91	26.91
Disposals	-	-	-	-	-	-	-	-
Closing gross carrying amount as at 31 March 2023	**14.85**	**95.73**	**92.27**	**85.59**	**114.36**	**103.78**	**491.73**	**506.58**

Notes to the standalone financial statements for the year ended 31 March 2024

Rs. million

Particulars	Goodwill	Other intangible assets						Grand Total
		Computer software	Product design and development	Enabling assets	Customer contracts	Trademarks	Sub total	
Accumulated amortization								
Opening accumulated depreciation	-	73.19	65.38	15.61	45.75	41.51	241.44	241.44
Depreciation / amortisation charged during the year	-	2.92	6.31	5.57	11.44	10.38	36.62	36.62
Disposals	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at 31 March 2023	**-**	**76.11**	**71.69**	**21.18**	**57.19**	**51.89**	**278.06**	**278.06**
Net carrying amount as at 31 March 2023	**14.85**	**19.62**	**20.58**	**64.41**	**57.17**	**51.89**	**213.67**	**228.52**
As at 31 March 2024								
Gross carrying amount								
Opening gross carrying amount	14.85	95.73	92.27	85.59	114.36	103.78	491.73	506.58
Additions	-	3.94	17.14	0.85	-	-	21.93	21.93
Disposals	-	(2.41)	-	-	-	-	(2.41)	(2.41)
Closing gross carrying amount as at 31 March 2024	**14.85**	**97.26**	**109.41**	**86.44**	**114.36**	**103.78**	**511.25**	**526.10**
Accumulated amortization								
Opening accumulated depreciation	-	76.11	71.69	21.18	57.19	51.89	278.06	278.06
Depreciation / amortisation charged during the year	-	3.46	11.66	5.59	11.43	10.38	42.52	42.52
Disposals	-	(2.41)	-	-	-	-	(2.41)	(2.41)
Closing accumulated depreciation as at 31 March 2024	**-**	**77.16**	**83.35**	**26.77**	**68.62**	**62.27**	**318.17**	**318.17**
Net carrying amount as at 31 March 2024	**14.85**	**20.10**	**26.06**	**59.66**	**45.75**	**41.51**	**193.08**	**207.93**

i) Goodwill represents goodwill arisen on amalgamation of Shriram Automotive Product Limited. Goodwill is tested for impairment on annual basis and wherever there is an indication that the recoverable amount is less than its carrying amount based on a number of factors including in business plan, operating results, future cash flows and economic conditions. The recoverable amount is determined based on higher of value in use and fair value less cost to sell. The Company generally uses discounted cash flows method to determine the recoverable amount. These discounted cash flow calculation are based on financial forecasts, cash flow projections take into account past experience and represent management's best estimate about future developments.

Ii) The Company has not revalued its other intangible assets during the year.

Notes to the standalone financial statements for the year ended 31 March 2024

6. Right of use assets

Rs. million

Particulars	Right of use assets (refer note 38)			
	Land	Building	Motor car	Total
As at 31 March 2023				
Gross carrying amount				
Opening gross carrying amount	688.78	386.73	-	1,075.51
Additions	-	66.96	34.39	101.35
Disposals (refer note 38)	(259.74)	-	-	(259.74)
Closing gross carrying amount as at 31 March 2023	**429.04**	**453.69**	**34.39**	**917.12**
Accumulated amortization				
Opening accumulated depreciation	18.49	168.36	-	186.85
Depreciation / amortisation charged during the year	8.51	59.93	1.46	69.90
Disposals	(2.55)	-	-	(2.55)
Closing accumulated depreciation as at 31 March 2023	**24.45**	**228.29**	**1.46**	**254.20**
Net carrying amount as at 31 March 2023	**404.59**	**225.40**	**32.93**	**662.92**
As at 31 March 2024				
Gross carrying amount				
Opening gross carrying amount	429.04	453.69	34.39	917.12
Additions	-	24.12	22.10	46.22
Disposals	-	(16.62)	-	(16.62)
Closing gross carrying amount as at 31 March 2024	**429.04**	**461.19**	**56.49**	**946.72**
Accumulated amortization				
Opening accumulated depreciation	24.45	228.29	1.46	254.20
Depreciation / amortisation charged during the year	6.13	57.66	9.06	72.85
Disposals	-	(11.78)	-	(11.78)
Closing accumulated depreciation as at 31 March 2024	**30.58**	**274.17**	**10.52**	**315.27**
Net carrying amount as at 31 March 2024	**398.46**	**187.02**	**45.97**	**631.45**

Note:

i) The right of use assets (land) is mortgaged as security against borrowings, refer note no. 17 and 21.

ii) The title deeds of immovable properties are held in the name of the Company as at the balance sheet date.

Notes to the standalone financial statements for the year ended 31 March 2024

7. Investments - Non-current

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Rs. million	No. of shares	Rs. million
Non current investments (Unquoted)				
Nil (previous year: 31 March 2023: Nil) shares of M/s SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) (refer note 54)	-	30.96	-	-
Equity instrument:				
Investment in subsidiary carried at cost				
350,000,000 (previous year: 31 March 2023: 120,000,000) shares of Rs. 10 each fully paid up in M/s SPR Engeninous Limited (refer note 55)	350,000,000	3,500.00	120,000,000	1,200.00
Investment carried at Fair value through statement of Profit or Loss				
3,636,364 (previous year: 31 March 2023: 3,636,364) shares of Rs. 10 each fully paid up in M/s Lalganj Power Private Limited	3,636,364	48.00	3,636,364	48.00
	353,636,364	**3,578.96**	**123,636,364**	**1,248.00**
Aggregate book value of unquoted investments		3,578.96		1,248.00
Aggregate value of impairment in value of investments		-		-

8. Investments - current (Unquoted)

Carried at fair value through Statement of Profit and loss				
Investment in Mutual fund (Liquid fund) Units of Face value of Rs 1000 each				
- Nil units (Previous year: 126,846) Axis Overnight Fund Direct Growth		-		150.38
- Nil units (Previous year: 3,855) SBI Overnight Fund Direct growth		-		14.07
- Nil units (Previous year: 3,433) SBI Liquid Fund Direct Growth		-		12.10
- Nil units (Previous year: 1,740) UTI Overnight Fund -Direct Plan - Growth		-		5.34
- 13,045 units (Previous year: 31,833) UTI Liquid Fund - Direct Plan Growth		51.62		117.44
- 102,635 units (Previous year: 97,111) AXIS Liquid Fund - Direct Growth		275.44		242.86
- 19,122 units (Previous year: 59,218) HSBC liquid fund direct Growth		46.01		132.78
		373.07		**674.97**
Aggregate book value of unquoted investments		372.11		673.01
Aggregate market value of unquoted investments		373.07		**674.97**
Aggregate value of impairment in value of investments		-		**-**

Notes to the standalone financial statements for the year ended 31 March 2024

9. Other Financial Assets

(At amortised cost excluding derivative instrument)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Bank deposit more than 12 months	1,350.86	601.52
Security deposits	193.19	194.10
Derivative instrument (refer note 44)	20.02	19.90
Deposit with banks held as margin money	-	50.44
	1,564.07	**865.96**
Current:		
Security deposit	4.32	3.01
Interest accrued on deposits	359.14	190.89
Derivative instrument (refer note 44)	7.95	5.47
	371.41	**199.37**

10. Tax assets/ (liabilities) net

Rs. million

	As at 31 March 2024	As at 31 March 2023
Advance income tax	1439.88	1008.92
less: provision for income tax	(1,523.83)	(1,045.88)
Net	**(83.95)**	**(36.96)**

11. Other assets

(Unsecured, considered good unless stated otherwise)

Rs. million

		As at 31 March 2024	As at 31 March 2023
Non-current:			
i)	Capital advances	137.21	63.89
ii)	Export incentive receivable		
	Unsecured, considered good	9.68	13.67
	Unsecured, considered doubtful	4.66	3.57
		14.34	17.24
	Provision for doubtful advances	(4.66)	(3.57)
		9.68	**13.67**
iii)	Prepaid expenses	14.79	10.99
iv)	Other assets		
	Unsecured, considered good*	182.32	182.41
	Unsecured, considered doubtful	-	-
		344.00	**270.96**

* Other assets - non current, represents paid under protest to government authorities.

Notes to the standalone financial statements for the year ended 31 March 2024

Rs. million

		As at 31 March 2024	As at 31 March 2023
Current:			
i)	Advances other than capital advances recoverable in cash or in kind or for value to be received		
	Unsecured, considered good	132.63	102.82
	Unsecured, considered doubtful	**15.47**	**14.60**
		148.10	117.42
	Provision for doubtful advances	(15.47)	(14.60)
		132.63	**102.82**
ii)	Export incentive receivable		
	Unsecured, considered good	13.84	22.61
	Unsecured, considered doubtful	0.24	0.72
		14.08	23.33
	Provision for doubtful advances	(0.24)	(0.72)
		13.84	**22.61**
iii)	Balance with government authorities	**66.29**	**52.53**
iv)	Prepaid expenses	**47.74**	**43.30**
v)	Other assets		
	Unsecured, considered good*	294.63	77.62
	Unsecured, considered doubtful	3.83	3.83
		298.46	81.45
	Provision for doubtful assets	(3.83)	(3.83)
		294.63	**77.62**
		555.13	**298.88**

*Other assets majorly includes Rs. 271.83 million (previous year Rs. 51.17 million) of surplus in Shriram Pistons & Rings Limited Gratuity Fund Trust.

12. Inventories

(valued at lower of cost or net realisable value)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Raw material and components (includes in transit Rs. 24.75 million (previous year: Rs. 4.39 million))	806.54	664.48
Work-in-progress (includes in transit Rs. 4.51 million (previous year: Rs. 8.09 million))	923.72	993.46
Finished goods (includes in transit Rs. 57.50 million (previous year: Rs. 64.72 million))	1,406.14	1,281.86
Stock- in - trade (includes in transit Rs. 2.04 million (previous year: Rs.1.97 million))	29.61	44.61
Stores and spares (includes in transit Rs. 38.81 million (previous year: Rs 0.88 million))	325.29	293.75
Loose tools	44.91	37.66
	3,536.21	**3,315.82**

Notes:

i) The inventories are hypothecated as security against working capital loans from banks, refer note no 21.

ii) The value of inventories above is net off of write down of Rs. 149.69 million (previous year Rs. 114.96 million).

Notes to the standalone financial statements for the year ended 31 March 2024

13. Trade receivables

Rs. million

	As at 31 March 2024	As at 31 March 2023
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured*	4,418.82	3,956.64
Receivable which have significant increase in credit risk	31.53	31.19
Receivable credit impaired	0.88	0.88
	4,451.23	3,988.71
Less: Allowances for receivables which have significant increase in credit risk/credit impaired	(32.41)	(32.07)
	4,418.82	**3,956.64**

Trade receivables includes Rs. 4.09 million (previous year: nil) due to related parties (refer note 36)

Notes:

i) The trade receivables are pledged as security against working capital loans from banks, refer note no 21.

ii) *No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member

Trade receivable ageing as on 31st March 2024 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	-	3,961.67	449.39	7.76	-	-	-	**4,418.82**
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	4.68	1.87	6.38	3.91	14.69	**31.53**
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	**-**
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-	**-**
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	0.88	**0.88**
Total	**-**	**3,961.67**	**454.07**	**9.63**	**6.38**	**3.91**	**15.57**	**4,451.23**

Notes to the standalone financial statements for the year ended 31 March 2024

Trade receivable ageing as on 31st March 2023 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	-	3,511.73	425.64	19.27	-	-	-	**3,956.64**
(ii) Undisputed trade Receivables – which have significant increase in credit risk	-	-	4.41	4.31	5.88	3.38	13.21	**31.19**
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	**-**
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-	**-**
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	0.88	**0.88**
	-	**3,511.73**	**430.05**	**23.58**	**5.88**	**3.38**	**14.09**	**3,988.71**

14. Cash and cash equivalents and other bank balances

Rs. million

	As at 31 March 2024	As at 31 March 2023
i) Cash and cash equivalents	-	-
Cash on hand	0.37	0.43
Balances with banks		
- Deposits with banks, with original maturity less than 3 months	250.00	-
- current accounts	56.20	284.95
	306.57	**285.38**
ii) Other bank balances		
- Unclaimed dividend account	1.24	0.53
- Unspent CSR account	2.62	5.50
- Deposits with banks , with original maturity more than 3 month but less than 12 months	6,537.71	5,602.34
- Deposits with banks held as margin money*	958.93	315.40
	7,500.50	**5,923.77**
	7,807.07	**6,209.15**

* Margin money is deposited with bank majorly towards export packing credit and overdraft facility availed.

Notes to the standalone financial statements for the year ended 31 March 2024

15. Equity share capital

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Rs. million	No. of shares	Rs. million
Authorised shares				
52,500,000 (previous year 52,500,000) equity shares of Rs. 10 each		525.00		525.00
3,000,000 (previous year 3,000,000) preference shares of Rs. 100 each		300.00		300.00
		825.00		**825.00**
a. Issued, subscribed and fully paid up shares				
44,049,824 (previous year 22,024,912) equity shares of Rs. 10 each (refer note 53)		440.50		220.25
		440.50		**220.25**

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to dividend and one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

c. Reconciliation of numbers of equity shares outstanding at the beginning and at the end of reporting year

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Rs. million	No. of shares	Rs. million
Opening balance	22,024,912	220.25	22,024,912	220.25
Issued during the year (refer note 53)	22,024,912	220.25	-	-
Closing balance	**44,049,824**	**440.50**	**22,024,912**	**220.25**

d. Details of equity shareholders holding more than 5% shares in the Company

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% shareholding	No. of shares	% shareholding
Equity shares of Rs. 10 each fully paid				
Riken Corporation	9,384,114	21.30	4,692,057	21.30
KS Kolbenschmidt GmbH	-	-	4,474,974	20.32
Luv D. Shriram and Meenakshi Dass*	6,667,862	15.14	3,333,931	15.14
Meenakshi Dass and Luv D. Shriram *	6,667,862	15.14	3,333,931	15.14
National Insurance Company Limited	2,483,005	5.64	1,384,055	6.28

* Shares held on behalf of Deepak Shriram Family Benefit Trust.

Notes to the standalone financial statements for the year ended 31 March 2024

e) **Details of Shares held by Promoters at the end of the year**

Name of promotor	As at 31 March 2024			As at 31 March 2023		
	No. of shares	% shareholding	% Change during the year	No. of shares	% shareholding	% Change during the year
Meenakshi Dass & Luv D. Shriram*	6,667,862	15.14	-	3,333,931	15.14	-
Luv D. Shriram & Meenakshi Dass*	6,667,862	15.14	-	3,333,931	15.14	-
Meenakshi Dass	1,669,440	3.79	-	834,720	3.79	-
Nandishi Shriram	1,730	0.00***	-	865	0.00***	-
Luv D. Shriram and Kush D. Shriram**	4	0.00***	-	2	0.00***	-
Luv D. Shriram	10,900	0.02	-	5,450	0.02	-
Sarva Commercial Pvt. Ltd.	2,133,160	4.84	-	1,066,580	4.84	-
Sera Com Pvt. Ltd	1,900,794	4.32	-	950,397	4.32	-
Manisha Commercial Pvt. Ltd.	1,335,958	3.03	-	667,979	3.03	-
Shabnam Commercial Pvt. Ltd.	206,394	0.47	-	103,197	0.47	-
Kush D. Shriram	2	0.00***	-	1	0.00***	-

Shareholding % does not change during the year except the increase in no. of shares held due to the issuance of bonus shares by the Company.

* Shares held on behalf of Deepak Shriram Family Benefit Trust.

** Shares held on behalf of NAK Benefit Trust.

*** Rounded off to zero.

f) (i) Aggregate number and class of shares allotted as fully paid up by way of bonus shares during the period of five years immediately preceding 31 March 2024:

	31 March 2024 No. of shares	31 March 2023 No. of shares	31 March 2022 No. of shares	31 March 2021 No. of shares	31 March 2020 No. of shares
Equity shares alloted fully paid up under bonus issue	22,024,912*	-	-	-	-

ii) Aggregate number of shares bought back during the period of five years immediately preceding 31 March 2024:

	31 March 2024 No. of shares	31 March 2023 No. of shares	31 March 2022 No. of shares	31 March 2021 No. of shares	31 March 2020 No. of shares
Equity shares fully paid up buy back	-	-	350,000**	-	-

iii) There are no shares allotted as fully paid up pursuant to contracts without payment being received in cash during the period of five years immediately preceding 31 March 2024.

*The Board pursuant to shareholder's approval in the annual general meeting held on 06 July 2023, allotted 2,20,24,912 equity shares as bonus share in the ratio of 1:1.

Notes to the standalone financial statements for the year ended 31 March 2024

**During the year ended 31st March 2022, the Company has concluded the buyback of 3,50,000 equity shares (at a price of Rs 1020/- per equity share) as approved by the Board of Directors on 30 July 2021. This has resulted in a total cash outflow of Rs 449.7 million (including tax on buyback of Rs 82.4 million & transaction cost of Rs 10.3 million). In line with the requirement of the Companies Act 2013, an amount of Rs 446.2 million has been utilized from retained earnings. Further, capital redemption reserve of Rs 3.5 million (representing the nominal value of the shares bought back) has been created as an apportionment from General reserve. Consequent to such buyback, the paid-up equity share capital has reduced by Rs 3.5 million.

g) The Board of directors, in its meeting of 13 May 2024, has proposed final dividend of Rs 5/-per equity share (face value of Rs. 10 per equity share) to equity shareholders for the year ended 31 March 2024. This dividend together with the interim dividend of Rs.5/- per equity share, aggregating total dividend to Rs. 10/- per equity share for the financial year 2023-24. The final dividend is subject to the approval of shareholders in Annual General Meeting of the Company and same has not been recognised as liability in financial statements for the year ended 31 March 2024.

h) The Board of directors, in its meeting of 08 May 2023, has proposed final special "Golden Jubilee" dividend of Rs.5/- per equity share (face value of Rs. 10 per equity share) to equity shareholders for the year ended 31 March 2023. This dividend together with the interim dividend of Rs.10/- per equity share, aggregating total dividend to Rs. 15/- per equity share for the financial year 2022-23 which was subsequently approved by the shareholders in the Annual General Meeting held on 04 July 2023 and paid thereof.

16. Other equity

Particulars	Reserves and surplus						Items of other comprehensive income	Total
	Preference share redemption reserve	Capital redemption reserve	Revaluation reserve	Retained earnings	General reserve	Sub Total	Effective portion of cash flow hedge reserve	
Balance as at 31 March 2022	**388.58**	**3.50**	**97.29**	**1,300.00**	**10,550.69**	**12,340.06**	**(10.05)**	**12,330.01**
Profit for the year	-	-	-	2,955.58	-	2,955.58	-	2,955.58
Other comprehensive income for the year	-	-	-	87.68	-	87.68	10.38	98.06
Reversal on disposal of revalued assets	-	-	(0.02)	-	-	(0.02)	-	(0.02)
Dividends	-	-	-	(308.35)	-	(308.35)	-	(308.35)
Transfer to general reserve	-	-	-	(2,734.91)	2,734.91	-	-	-
Balance as at 31 March 2023	**388.58**	**3.50**	**97.27**	**1,300.00**	**13,285.60**	**15,074.95**	**0.33**	**15,075.28**
Profit for the year	-	-	-	4,467.64	-	4,467.64	-	4,467.64
Used for issuance of bonus shares	(220.25)	-	-	-	-	(220.25)	-	(220.25)
Other comprehensive income for the year	-	-	-	67.12	-	67.12	(1.33)	65.79
Reversal on disposal of revalued assets	-	-	(0.02)	-	-	(0.02)	-	(0.02)
Dividends (refer note 15 h)	-	-	-	(330.37)	-	(330.37)	-	(330.37)
Transfer to general reserve	-	-	-	(4,204.39)	4,204.39	-	-	-
Balance as at 31 March 2024	**168.33**	**3.50**	**97.25**	**1,300.00**	**17,489.99**	**19,059.07**	**(1.00)**	**19,058.07**

Nature and purpose of reserves:

Preference share redemption reserve

The Company issued 10,00,000 nos. of preference shares in financial year 1997-98 of Rs. 100/- each and the same were redeemed during the financial years viz- 2002-03 and 2003-04. Further, the Company issued 28,85,760 nos. of preference shares of Rs. 100/- each in financial year 2019-20 and same were redeemed in the financial year 2019-20. Accordingly, the preference share redemption reserve of Rs. 388.58 million was created. In the financial year 2023-24, Rs. 220.25 million has been used for issuance of bonus share and balance reserve amount is available for the purposes as specified under the provisions of the Companies Act, 2013.

Notes to the standalone financial statements for the year ended 31 March 2024

Capital redemption reserve

The Company bought back 3,50,000 equity shares in the financial year 2021-22 and created capital redemption reserve as per the applicable provision of the Companies Act, 2013. The reserve amount is available for the purposes as specified under the provisions of the Companies Act, 2013.

Revaluation reserve

In the Financial year 1995-96, the Company had revalued its existing property, plant and equipment and created a revaluation reserve for the same.

Retained earnings

Retained earnings represents the net profit/(loss) retained by the Company for its core business activities. Also, includes re-measurement gains / (loss) on defined benefit plans.

General reserves

General reserves represents amount appropriated out of retained earnings.

Cash flow hedge reserve

Cumulative changes in the fair value of financial instruments designated as effective hedge are recognised in cash flow hedge reserve through OCI (net of taxes). Amounts recognised in the cash flow hedge reserve are reclassified to the statement of profit and loss when the underlying transaction occurs.

17. Borrowings

(At amortised cost)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Secured		
Term loans from banks	1,332.85	1,374.45
Unsecured		
Deposits	164.51	360.76
Deposits from directors (refer note 36)	-	15.82
Deposits from related parties (refer note 36)	10.78	28.28
	1,508.14	1,779.31
Less: Current maturities of non-current borrowings (refer note 21)	(281.11)	(180.12)
Less: Current maturities of deposits (refer note 21)	(174.80)	(226.28)
	1,052.23	**1,372.91**

i) Term loans from banks of Rs. 1,332.85 million (previous year: 1,374.45) are secured by way of first pari passu charge on all the movable and immovable property of the Company, present and future.

Amount outstanding		Repayment period from origination (years)	Installments outstanding		Effective Rate of Interest per annum %	
As at 31 March 2024 (Rs. million)	As at 31 March 2023 (Rs. million)		No.	As at 31 March 2024 Periodicity	As at 31 March 2024	As at 31 March 2023
340.00	400.00	6*	17	Quarterly	8.34	7.30
538.06	623.68	6*	17	Quarterly	8.25	7.18
454.79	350.77	6	19	Quarterly	7.99	7.68
1,332.85	**1,374.45**					

* The repayment period includes moratorium of 1 year from the date of origination

Notes to the standalone financial statements for the year ended 31 March 2024

ii) The long term deposits have been raised under Section 58A of the Companies Act, 1956 and Section 73 to 76 of the Companies Act, 2013 for maturity period of 2 and 3 years.

Amount outstanding		Repayment period from origination (years)	Rate of interest per annum %	
As at 31 March 2024 (Rs. million)	As at 31 March 2023 (Rs. million)		As at 31 March 2024	As at 31 March 2024 Periodicity
-	5.42	2	6.50-9.50	6.00-9.50
175.29	399.44	3		
175.29	**404.86**			

iii) Disclosure under Para 44A as set out in IND AS on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

Changes in liabilities arising from financing activities

Rs. million

Particular	Outstanding balance as on 01 April 2023	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2024
Long term borrowing (Including current maturities of long term debt)	1,374.45	(45.98)	4.38	1,332.85
Deposits (including unclaimed matured deposits)	408.79	(232.08)	-	176.71
Lease liabilities (refer note 38)	291.90	(87.63)	64.61	268.88

Particular	Outstanding balance as on 01 April 2022	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2023
Long term borrowing (Including current maturities of long term debt)	-	1,350.77	23.68	1,374.45
Deposits (including unclaimed matured deposits)	603.58	(194.79)	-	408.79
Lease liabilities (refer note 38)	249.88	(103.41)	145.43	291.90

18. Provisions

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Provision for compensated absences (refer note 35)	299.84	284.92
Provision for other employee benefits	0.38	2.30
	300.22	**287.22**
Current:		
Provision for compensated absences (refer note 35)	149.28	135.80
Provision for other employee benefits	1.10	1.81
	150.38	**137.61**

Notes to the standalone financial statements for the year ended 31 March 2024

19. Other liabilities

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Security deposits*	19.75	4.40
	19.75	**4.40**
Current:		
Security deposits*	111.59	128.91
Revenue received in advance (refer note 24)	81.39	90.65
Statutory dues	306.29	256.85
Others **	55.62	50.51
	554.89	**526.92**

*The security deposits have been received by the Company from customers/vendors in the normal course of business.

**Others includes provision for superannuation contribution and unspent CSR amount.

20. a) Deferred tax liability (net)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Deferred tax liability		
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	317.39	316.85
	317.39	**316.85**
Deferred tax assets		
Expenses deductible on payment basis	134.02	131.09
Provision for doubtful debts/advances	14.26	13.78
Cash flow hedge	5.18	4.73
Defined benefit plans	(76.19)	(53.62)
	77.27	**95.98**
Net deferred tax liability	**240.12**	**220.87**

b) Reconciliation of tax expenses and accounting profit

	As at 31 March 2024		As at 31 March 2023	
	Rs. million	%	Rs. million	%
Profit before tax	5,988.60		3,969.19	
Income tax expenses calculated at current tax rate	1,507.21	25.17%	998.95	25.17%
Add : Effect of expenses that are not deductible in determining taxable profit.	13.75	0.23%	14.66	0.37%
Income tax expenses recognised in statement of profit & loss	1,520.96	25.40%	1,013.61	25.54%

Notes to the standalone financial statements for the year ended 31 March 2024

(c) Changes in deferred tax liability (net)

	As at 31 March 2023	Recognised in		As at 31 March 2024
		OCI	Profit / loss	
Items leading to creation of deferred tax assets				
Expenses deductible on payment basis	131.09	-	2.93	134.02
Provision for doubtful debts/advances	13.78	-	0.48	14.26
Cash flow hedge	4.73	0.45	-	5.18
Defined benefit plans	(53.62)	(22.57)	-	(76.19)
Items leading to deferred tax liabilities				
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	316.85	-	0.54	317.39
Net deferred tax assets /(liability)	**(220.87)**	**(22.12)**	**2.87**	**(240.12)**

	As at 31 March 2022	Recognised in		As at 31 March 2024
		OCI	Profit / loss	
Items leading to creation of deferred tax assets				
Expenses deductible on payment basis	114.42	-	16.67	131.09
Provision for doubtful debts/advances	12.14	-	1.64	13.78
Cash flow hedge	8.22	(3.49)	-	4.73
Defined benefit plans	(24.06)	(29.56)	-	(53.62)
Items leading to deferred tax liabilities				
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	330.79	-	(13.94)	316.85
Unrealised income on mutual fund	0.09	(0.09)	-	
Net deferred tax assets / (liability)	**(220.16)**	**(32.98)**	**32.27**	**(220.87)**

21. Short term borrowings

(At amortised cost)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Secured		
Working capital loans from banks repayable on demand*	1,900.02	1,122.08
Current maturities of non-current borrowings (refer note 17)	281.11	180.12
Unsecured		
Current maturities of deposits (refer note 17)	174.80	226.28
	2,355.93	**1,528.48**

* Working capital loans of Rs. 1,050.02 million (previous year: 1,017.08 million) are secured by way of first pari passu charge on inventories and trade receivables of the Company, present and future and second pari passu charge on all the movable and immovable property of the Company, present and future . Further, working capital loans of Rs. 850.00 million (previous year: 105.00 million) is secured by way of lien on the bank deposit of Rs. 850.00 million (previous year: Rs. 250.50 million).

Notes to the standalone financial statements for the year ended 31 March 2024

Disclosure under Para 44A as set out in IND AS on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

Changes in liabilities arising from financing activities

Rs. million

Particular	Outstanding balance as on 01 April 2023	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2024
Short-term borrowings	1,122.08	777.94	-	1,900.02

Rs. million

Particular	Outstanding balance as on 01 April 2022	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2023
Short-term borrowings	724.32	397.76	-	1,122.08

22. Trade payables

(At amortised cost)

Rs. million

	As at 31 March 2024	As at 31 March 2023
- Total outstanding dues of micro enterprises and small enterprises	95.44	125.48
- Total outstanding dues of creditors other than micro enterprises and small enterprises	3,180.20	2,769.69
	3,275.64	**2,895.17**

Trade payable includes Rs. 0.10 million (previous year: Rs. 2.96 million) due to related parties (refer note 36)

Trade payables ageing schedule as on 31 March 2024 is as under:

Rs. million

Particulars		Unbilled dues	Not due	Outstanding 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	-	93.66	1.78	0.00	-	-	**95.44**
(ii)	Disputed dues – MSME	-	-	-	-	-	-	**-**
(iii)	Others	535.62	1,644.60	759.53	72.87	84.63	82.95	**3,180.20**
(iv)	Disputed dues - Others	-	-	-	-	-		
		535.62	**1,738.26**	**761.31**	**72.87**	**84.63**	**82.95**	**3,275.64**

Trade payables ageing schedule as on 31 March 2023 is as under:

Rs. million

Particulars		Unbilled dues	Not due	Outstanding 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	-	125.48	-	-	-	-	**125.48**
(ii)	Disputed dues – MSME	-	-	-	-	-	-	**-**
(iii)	Others	440.39	1,441.75	648.69	144.16	14.04	80.66	**2,769.69**
(iv)	Disputed dues - Others	-	-	-	-	-		
		440.39	**1,567.23**	**648.69**	**144.16**	**14.04**	**80.66**	**2,895.17**

Notes to the standalone financial statements for the year ended 31 March 2024

23. Other financial liabilities

(At amortised cost)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Financial guarantee*	27.18	-
Capital creditors	-	90.13
	27.18	**90.13**
*Guarantee given to bank on behalf of step down subsidiary - SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)		
Current:		
Interest accrued but not due on borrowings	40.69	60.62
Unclaimed dividends*	1.23	0.53
Unclaimed matured deposits and interest accrued thereon*	1.83	5.11
Capital creditors	178.50	56.45
Employee related payables	666.68	540.35
	888.93	**663.06**

*Not due for transfer to investor education and protection fund

24. Revenue from operations

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Sale of products	29,083.22	25,599.15
Other operating revenues		
- sale of scrap	340.43	350.68
- export benefits*	100.63	95.58
- others	12.88	4.85
	29,537.16	**26,050.26**

*Export benefits covers the following:

Rs. million

	As at 31 March 2024	As at 31 March 2023
Remission of duties and taxes on export products (RoDTEP)	22.13	22.18
Duty draw backs	78.50	73.40
	100.63	**95.58**

Rs. million

	As at 31 March 2024	As at 31 March 2023
Timing of revenue recognition:		
Goods transferred at a point in time	29,537.16	26,050.26

Rs. million

	As at 31 March 2024	As at 31 March 2023
Contract balances		
Revenue received in advance (refer note 19)	81.39	90.65

Notes to the standalone financial statements for the year ended 31 March 2024

Contract liabilities - Revenue received in advance

Rs. million

	As at 31 March 2024	As at 31 March 2023
Opening balance of contract liabilities	90.65	62.27
Less: Amount of revenue recognised against opening contract liabilities	871.03	812.16
Add: Addition in balance of contract liabilities for current year (net of refunds)	861.77	840.54
Closing balance of contract liabilities	**81.39**	**90.65**

The contract liabilities are settled during the normal course of business.

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Rs. million

	As at 31 March 2024	As at 31 March 2023
Revenue from contract with customer as per the contract price	30,004.82	26,093.10
Adjustments made to contract price on account of :-		
Less: Discounts / price adjustments	921.60	493.95
Revenue from contract with customer	**29,083.22**	**25,599.15**

Performance obligation

Information about the Company's performance obligations is summarised below:

Sale of products

Revenue from the sale of products is recognized upon transfer of control to customers.

25. Other income

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Interest income*		
- Bank deposits	620.36	311.25
- Others	11.26	7.98
Net gain on sale/fair valuation of current investment**	32.42	32.25
Income from corporate guarantee	3.79	-
Gain on sale/disposal of property, plant and equipment / right of use of assets (land)	-	30.90
Foreign exchange gain (net)	112.10	30.65
Other non-operating income	33.43	49.27
	813.36	**462.30**

*Represents income on underlying assets carried at amortised cost

**Includes Rs. 0.98 million (previous year Rs. 1.99 million) on account of fair valuation of investments classified at FVTPL

26. Cost of material consumed

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Cost of raw material and components consumed	10,179.87	9,331.98
Cost of packing material consumed	558.29	556.34
	10,738.16	**9,888.32**

Notes to the standalone financial statements for the year ended 31 March 2024

27. (Increase) / decrease in inventories of finished goods , work-in-progress and stock-in-trade

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Inventories at the end of the year		
Work-in-progress	923.72	993.46
Finished goods	1,406.14	1,281.86
Stock-in-trade	29.61	44.61
	2,359.47	**2,319.93**
Inventories at the beginning of the year		
Work-in-progress	993.46	1,079.57
Finished goods	1,281.86	1,278.79
Stock-in-trade	44.61	43.31
	2,319.93	**2,401.67**
(Increase) / decrease in inventories of finished goods, work-in-progress and stock-in-trade	**(39.54)**	**81.74**

28. Employee benefits expense

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and wages	3,905.45	3,569.63
Contribution to provident and other funds (refer note 35)	298.27	301.00
Staff welfare expenses	**245.81**	**217.87**
	4,449.53	**4,088.50**

29. Finance costs

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense on borrowings	220.05	160.95
Interest expense on lease liabilities (refer note 38)	24.80	22.04
Interest expense on income tax	2.64	6.85
Other borrowing costs	4.09	4.61
	251.58	**194.45**

30. Depreciation and amortisation expense

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
- Depreciation on property , plant and equipment (refer note 3)	758.38	826.90
- Depreciation on right of use assets (refer note 6)	72.85	69.90
- Amortisation of intangible assets (refer note 5)	42.52	36.62
	873.75	**933.42**

Notes to the standalone financial statements for the year ended 31 March 2024

31. Other expenses

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Stores and spares consumed	2,313.13	2,059.23
Power and fuel	1,547.09	1,380.43
Job work charges	609.53	537.18
Freight outward expenses	402.28	362.02
Royalty	479.93	463.92
Rent (refer note 38)	20.36	19.73
Rates and taxes	12.58	11.46
Insurance	40.25	39.04
Sub-contracting expenses	377.82	304.73
Repair and maintenance		
-Plant and machinery	198.99	185.39
-Buildings	90.69	92.43
-Others	27.82	27.01
Auditor's remuneration (refer note 32)	5.29	5.35
Directors' fees	9.60	12.40
Provision for doubtful debts and advances (net)	1.87	6.55
Loss on sale / retirement of fixed assets (net)	3.22	-
Bad debts and advances written off	1.89	0.51
Corporate social responsibilities expenses (refer note 50)	51.96	30.90
Travelling expenses	90.36	64.84
Legal and professional expenses	102.21	58.41
Miscellaneous expenses	825.42	721.98
	7,212.29	**6,383.51**

32. Auditor's remuneration

(excluding goods and service tax, as applicable)

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
As auditor:		
- Audit fee	1.80	3.23
- Limited review	2.40	1.40
- Other services	0.52	0.26
- Reimbursement of expenses	0.57	0.46
	5.29	**5.35**

Notes to the standalone financial statements for the year ended 31 March 2024

33. Earnings per share (EPS)

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Profit attributable to equity shareholders (Rs. million)	4,467.64	2,955.58
Weighted average number of equity shares (Nos. million)	44.05	22.02
Earning per share		
- *Basic (Rs.)	101.42	67.10
- *Diluted (Rs.)	101.42	67.10

* During the current year, the Company has issued 22,024,912 equity shares of Re.10 each as fully paid-up bonus shares in the ratio of 1 (one) equity share for every 1 (One) equity share outstanding on the record date i.e. 24 July 2023. Accordingly, as required by Ind AS-33 Earnings per share, the EPS of current and previous period have been restated.

34. Research and development expenditure

The details of research and development expenditure incurred by the Company and included in the respective account heads are as under:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Capital expenditure	21.59	22.09
Revenue expenditure	226.85	211.05
	248.44	**233.14**

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

Rs. million

	Year ended March 31, 2024	Year ended 31 March 2023
Stores and spares consumed	56.72	59.55
Salaries and wages	127.54	117.43
Contribution to provident and other funds	11.11	7.43
Staff welfare expenses	1.29	1.39
Power and fuel	3.56	4.66
Repair and maintenance		
- Plant and machinery	15.18	14.89
- Buildings	0.52	0.18
Loss on sale/retirement of fixed assets (net)	0.03	0.17
Travelling expenses	2.55	1.27
Miscellaneous expenses	8.35	4.08
	226.85	**211.05**

Notes to the standalone financial statements for the year ended 31 March 2024

35. Employee benefits

The Company has classified the various employee benefits as under :

i) Defined contribution plans

The Company has recognised the following amount in the statement of profit and loss:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Employers' contribution to state insurance fund	30.43	28.32
	30.43	**28.32**

ii) Defined benefit plans - Gratuity

In accordance with Ind AS 19, actuarial valuation of defined benefit plans was done for Gratuity and details of the same are given below :

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Amount recognized in statement of Profit and Loss A/c		
Current service cost	76.45	78.52
Net Interest cost on defined benefit/ liability	(3.83)	1.10
Total expense recognised in the Statement of Profit and Loss	**72.62**	**79.62**
Actual contribution and benefit payments for the year		
Actual benefit payments	58.82	57.16
Actual contributions	200.00	30.00
	258.82	**87.16**
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	1,114.92	1,110.64
Fair value of plan assets	1,386.75	1,161.81
Funded status [surplus / (deficit)]	271.83	51.17
Net asset / (liability) recognised in the Balance Sheet (refer note 11)	271.83	51.17
Change in defined benefit obligations (DBO) during the year		
Present value of defined benefit obligations at beginning of the year	1,110.64	1,127.57
Current service cost	76.45	78.52
Interest cost	82.32	75.49
Remeasurement of defined benefit obligations (Actuarial (gains)/losses)		
- Changes in demographic assumptions	0.23	-
- Changes in financial assumptions	(64.59)	(66.93)
- Experience variance	(27.72)	(46.85)
Benefits paid	(58.82)	(57.16)
Transfer in / (out)	(3.59)	-
Present value of DBO at the end of the year	**1,114.92**	**1,110.64**
Change in fair value of plan assets during the year		
Plan assets at beginning of the year	1,161.81	1,111.19
Expected return on plan assets	86.15	74.40
Contributions	200.00	30.00
Return on Plan assets excluding amount recognised in net interest expenses	(2.39)	3.38
Benefits paid	(58.82)	(57.16)
Plan assets at the end of the year	**1,386.75**	**1,161.81**
Actual return on plan assets	**83.76**	**77.78**

Notes to the standalone financial statements for the year ended 31 March 2024

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Amount recognised in other comprehensive income		
Actuarial (gains)/ losses		
- Changes in demographic assumptions	0.23	0.00
- Changes in financial assumptions	(64.59)	(66.93)
- Experience variance	(27.72)	(46.85)
(Return)/loss on plan assets, excluding amount recognized in net interest expense	2.39	(3.39)
	(89.69)	**(117.17)**

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Actuarial assumptions for Gratuity		
Discount rate	7.15%	7.40%
Expected return on plan assets	7.21%	7.00%
Salary escalation	9.00%	10.00%
Attrition	5 /10 %, p.a.	5 /10 %, p.a.
Mortality table used	IAL 2012-14	IAL 2012-14

Estimate of the future salary increase is based on factors such as inflation, seniority, promotions, demand and supply in employment market.

Rs. million

Particulars		Year ended 31 March 2024		Year ended 31 March 2023	
		Impact on Liability		Impact on Liability	
Sensitivity Analysis for significant actuarial assumptions		**Increase**	**Decrease**	**Increase**	**Decrease**
Discount Rate	+100 basis points		80.02		85.44
	-100 basis points	90.74		97.50	
Salary Growth Rate	+100 basis points	88.24			94.13
	-100 basis points		79.43		84.21
Attrition Rate	+100 basis points		20.82		31.27
	-100 basis points	28.08		42.86	
Mortality Rate	+100 basis points		0.30		0.45
	-100 basis points	0.30		0.45	

The sensitivity analysis has been determined based on possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis present above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be co-related.

Risk Factors in actuarial assumptions

Interest Rate Risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Liquidity Risk: This is the risk that the Company is not able to meet the short term gratuity payouts. This may arise due to non availability of enough cash/ cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Notes to the standalone financial statements for the year ended 31 March 2024

Salary escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary use to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk: The Company has used certain mortality and attrition assumption in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Asset Liability Mismatching or Market Risk: The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/ fall in interest rate.

Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

The following payments are expected future cash flows to the defined benefit plan (undiscounted in future years):

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Year 1	117.52	102.58
Year 2 - 5 years	424.35	396.18
Year 6 - 10 years	574.42	579.88
More than 10 years	1033.32	1246.42

Regulatory framework/ Governance / Benefits under the plan:

The gratuity benefit is a post employment benefit. It is calculated at the terminal salary (Basic+VDA) at the time of separation of the employee according to the provisions of Payment of Gratuity Act, 1972. However, there is no restriction on the maximum amount of gratuity payable. The plan assets are managed by independent Board of Trustees, appointed by the Company. The trust is a separate legal entity and is recognized by the Commissioner of Income Tax, under the provisions of Schedule IV the the Income Tax Act, 1961. The Board of trustees manages the entire plan assets through Life Insurance Corporation of India, SBI Life Insurance, Bajaj Allianz Life Insurance Company and HDFC Life Insurance Co. Under this policy, the eligible employees are entitled to receive gratuity payments upon their separation in lumpsum after deduction of necessary taxes. The fund managers do not disclose the composition of their portfolio investment, accordingly break-down of plan assets by investment type has not been disclosed.

Asset Liability Matching Strategies

The Company has purchased insurance policy, which is a cash accumulation plan. Interest on the fund balances during the year is accumulated at the interest rate declared by insurance company at the end of the financial year. Gratuity claims are settled by the insurance company out of the fund, thus mitigating any liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of the liabilities. Thus, the Company is exposed to movement in interest rate."

Effect of plan on Entity's future cash flows

The company has purchased insurance policies to provide for payment of gratuity to the employees. The contribution to the funds are made on a quarterly basis based on estimated shortfall in plan assets from liabilities. Expected contribution during the next annual reporting period is Nil (Rs 23.72 million) Maturity profile of the defined benefit obligation based on weighted average duration is 10 Years.

The plan assets are managed by independent Board of Trustees through Life Insurance Corporation of India, SBI Life Insurance, Bajaj Allianz Life Insurance Company and HDFC Standard Life Insurance Co. Under this policy, the eligible employees are entitled to receive gratuity payments upon their separation in lumpsum after deduction of necessary taxes. The fund managers do not disclose the composition of their portfolio investment, accordingly break-down of plan assets by investment type has not been disclosed. Estimate of the future salary increase is based on factors such as inflation, seniority, promotions, demand and supply in employment market.

Notes to the standalone financial statements for the year ended 31 March 2024

iii) Compensated absences

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Present value of DBO	449.12	420.72
Funded status [surplus / (deficit)]	(449.12)	(420.72)
Provision for compensated absences		
Non-current	299.84	284.92
Current	149.28	135.80

iv) Defined benefit plans - Provident and Superannuation fund

The Company has recognised the following amount in the statement of profit and loss:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Employers' contribution to provident fund	177.09	174.63
Employers' contribution to superannuation fund	26.96	29.38
	204.05	**204.01**

v) Provident fund

In respect of certain employees, provident fund contributions are made to trust administered by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Fund and Miscalleneous Provisions Act,1952 and shortfall, if any, shall be made good by the Company. The rate is determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Company has been higher in earlier years. As at 31 March 2024, the Company has surplus in the trust administered by the Company.

36. Related party disclosure

As per Indian Accounting Standard – 24 the Company's related parties and transactions with them are disclosed below :

A. List of related parties:

Subsidiary Company	SPR Engenious Limited
Step-down Subsidiary Companies	SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)
	SPR Takahata Precision India Private Limited (w.e.f 16 October 2023) (formerly Takahata Precision India Private Limited)
Key management personnel	Shri Pradeep Dinodia, Chairman
	Shri Hari Shanker Bhartia, Director
	Smt Meenakshi Dass, Director
	Shri Inderdeep Singh, Director
	Shri Krishnakumar Srinivasan, Managing Director & CEO

Notes to the standalone financial statements for the year ended 31 March 2024

	Shri Luv Deepak Shriram, Whole Time Director
	Smt. Ferida Chopra, Director
	Shri Alok Ranjan, Director (ceased to be director w.e.f. close of business hours of 29 March 2024)
	Shri Klaus Semke (Director)
	Shri Alexandru Vladoi , Alternate Director to Shri Klaus Semke
	Shri Masaaki Yamaguchi, Director (ceased to be director w.e.f. close of business hours of 31 March 2024)
	Shri Yasunori Maekawa, (Alternate Director of Masaaki Yamaguchi) (ceased to be alternate director w.e.f. close of business hours of 31 March 2024)
	Shri. Shinichi Unno, Independent Director
	Shri Sascha Putz, Director (ceased to be director w.e.f. close of business hours of 28 July 2023)
Close members of the family of key management personnel	
Shri Krishnakumar Srinivasan	Smt. Sumati Krishnakumar
Shri Luv Deepak Shriram	Smt. Meenakshi Dass
	Shri Kush Deepak Shriram
	Smt Nandishi Shriram
	Smt. Arati Shriram
Entity over which , Key management personnel and their Close members of the family has significant influence or control	Shriram Veritech Solutions Pvt. Ltd.
	S.R. Dinodia & Co. LLP
	Manisha Commercial Pvt. Ltd
	Deepak C. Shriram & Sons HUF
	Sera Com Pvt. Ltd.
	Sarva Commercial Pvt. Ltd.
	Shabnam Commercial Pvt. Ltd.
	Pradeep Dinodia HUF
	Luv Arati and Associates (AOP)
	Deepak Shriram Family Benefit Trust
	NAK Benefit Trust
Post-employment benefit plan entity	Shriram Pistons & Rings Ltd Gratuity Fund Trust
	Shriram Pistons & Rings Ltd Superannuation Fund Trust
	Shriram Pistons & Rings Ltd. Officers' Provident Fund Trust
	Shriram Pistons & Rings Limited

Notes to the standalone financial statements for the year ended 31 March 2024

B. Related party transactions

(i) Transactions during the year

Rs. million

Particulars	Subsidiaries		Entity over which, Key management personnel and their Close members of the family has significant influence or control		Key management personnel (KMP)		Close members of the family of key management personnel		Post-employment benefit plan entity		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Remuneration												
Short-term employees benefit	-	-	-	-	155.58	118.99	-	-	-	-	155.58	118.99
Post- employment benefit	-	-	-	-	2.48	2.48	-	-	-	-	2.48	2.48
Other long-term employees benefit	-	-	-	-	-	-	-	-	-	-	-	-
Commission to directors	-	-	-	-	68.42	49.78	-	-	-	-	68.42	49.78
Legal expenses	-	-	1.44	1.20	-	-	-	-	-	-	1.44	1.20
Rent	-	-	1.85	3.41	1.44	1.44	0.96	0.96	-	-	4.25	5.81
Interest on deposits	-	-	0.35	0.44	0.98	2.30	1.75	3.15	-	-	3.08	5.89
Directors sitting fees	-	-	-	-	9.60	12.40	-	-	-	-	9.60	12.40
Dividend paid	-	-	141.84	132.38	12.60	11.76	0.01	0.01	-	-	154.45	144.15
Contribution paid	-	-	-	-	-	-	-	-	261.35	90.10	261.35	90.10
Deposits taken during the year	-	-	-	-	-	-	-	-	-	-	-	-
Deposits paid during the year	-	-	2.00	-	15.82	12.65	15.50	9.00	-	-	33.32	21.65
Purchase of material / stores	-	-	10.52	11.52	-	-	-	-	-	-	10.52	11.52
Investment	2,300.00	1,200.00	-	-	-	-	-	-	-	-	2,300.00	1,200.00
Loan given during year (refer note-iv)	168.40	15.00	-	-	-	-	-	-	-	-	168.40	15.00
Loan repaid during year	168.40	15.00	-	-	-	-	-	-	-	-	168.40	15.00
Interest received on inter-corporate loan	1.75	0.25	-	-	-	-	-	-	-	-	1.75	0.25
Amount received for providing resources and facilities	5.14	0.66	-	-	-	-	-	-	-	-	5.14	0.66
Property, plant and equipment	-	259.74	-	-	-	-	-	-	-	-	-	259.74
Commission income	0.03	-	-	-	-	-	-	-	-	-	0.03	-
Lease rent	0.26	-	-	-	-	-	-	-	-	-	0.26	-
Recovery of expenditure	5.99	-	-	-	-	-	-	-	-	-	5.99	-
Corporate gurantee (refer note-iii)	1,100.00	-	-	-	-	-	-	-	-	-	1,100.00	-
Sale of material	5.60	2.77	-	-	-	-	-	-	-	-	5.60	2.77

Notes to the standalone financial statements for the year ended 31 March 2024

(ii) Balances due from/to the related parties

Rs. million

Particulars	Subsidiaries		Entity over which, Key management personnel and their Close members of the family has significant influence or control		Key management personnel (KMP)		Close members of the family of key management personnel		Post-employment defined benefit plan entity		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Deposits accepted	-	-	2.50	4.50	-	15.81	8.28	23.78	-	-	10.78	44.09
Interest accrued but not due	-	-	0.55	0.82	-	3.94	1.22	3.67	-	-	1.77	8.43
Amount payable/ (recoverable)	(4.09)	2.80	0.10	0.16	167.99	114.07	-	-	14.46	(36.74)	178.46	80.29

Note :

i) The deposit from related parties have been accepted on same rate of interest as applicable for other unrelated parties.

ii) The amount outstanding from related parties are unsecured and will be settled in cash.

iii) With respect to guarantees given, refer note 54

iv) The purpose of this loan to subsidiary is to meet the funding requirements for future business opportunities in the areas related to the automotive segment.

v) The transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions.

37. Information pursuant to clause 3 (vii) (b) of the Companies (Auditor's Report) Order, 2020 in respect of disputed dues, not deposited as at 31 March 2024, pending with various authorities:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates (various years covering the period)	Amount Involved* (Rs. million)	Amount Unpaid (Rs. million)	Amount Paid (Rs. million)
Income Tax Act, 1961	Income tax	Appellate authority up to Commissioners' level	2003-04, 2004-05, 2015-16, 2016-17, 2017-18, 2018-19, 2020-21, 2022-23	79.15	0.00	79.15
Finance Act, 1994	Service Tax	Custom, Excise & Service Tax Appellate Tribunal (CESTAT)	2012-13, 2013-14, 2014-15, 2015-16	19.79	19.28	0.51
Central Sales Tax Act, 1956	Sales Tax	Appellate Tribunal	2012-13, 2015-16	1.72	1.30	0.41
Sales Tax Laws	Sales Tax / Value Added Tax/ Entry Tax	Appellate authority up to Commissioners' level	2007-08, 2008-09, 2016-17, 2017-18	54.92	46.51	8.41
		Appellate Tribunal	2010-11, 2011-12, 2012-13, 2015-16	37.93	23.56	14.37
Goods & Service Tax Act 2017	Goods & Services Tax	Appellate authority up to Commissioners' level	2017-18	10.44	9.63	0.81

* amount as per demand orders including interest and penalty wherever quantified in the order.

Notes to the standalone financial statements for the year ended 31 March 2024

38. Leases :

The changes in the carrying value of right of use assets for the year ended 31 March 2024 are as follows:

Rs. million

Particulars	Right of Use Asset			
	Land	Buildings	Motor Car	Total
Balance as of 01 April 2022	670.29	218.37	-	**888.66**
Addition	-	66.96	34.39	**101.35**
Deletion*	(259.74)	-	-	**(259.74)**
Gain on transfer of right of use assets (Land)	2.55	-	-	**2.55**
Amortisation of right of use asset	(8.51)	(59.93)	(1.46)	**(69.90)**
Balance as of 31 March 2023	**404.59**	**225.40**	**32.93**	**662.92**
Balance as of 01 April 2023	404.59	225.40	32.93	**662.92**
Addition	-	24.12	22.10	**46.22**
Deletion	-	(4.84)	-	**(4.84)**
Amortisation of right of use asset	(6.13)	(57.66)	(9.06)	**(72.85)**
Balance as of 31 March 2024	**398.45**	**187.02**	**45.97**	**631.45**

* Represents transfer of right of use asset (land) by the Company to its wholly owned subsidiary, SPR Engenious Limited.

The movement in lease liabilities during the year ended 31 March 2024 is as follows

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Balance at the beginning	291.90	249.88
Additions	46.22	101.35
Deletions	(6.41)	-
Finance cost accrued during the period	24.80	22.04
Payment of lease liabilities	(87.63)	(81.37)
Balance at the end	**268.88**	**291.90**

The break-up of current and non-current lease liabilities as of 31 March 2024 is as follows:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Current	54.36	63.31
Non-current	214.52	228.59
Total	**268.88**	**291.90**

Notes to the standalone financial statements for the year ended 31 March 2024

The details of contractual maturities of lease liabilities on an undiscounted basis:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Less than one year	76.38	87.04
One to five years	217.36	221.29
More than five years	46.81	64.73
Total	**340.55**	**373.06**

The following are the amounts recognised in Statement of Profit or Loss:

Rs. million

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation expense of right of use assets	72.85	69.90
Interest expenses on lease liabilities	24.80	22.04
Expense relating to other than non-current leases (included in other expenses) #	20.36	19.73
Total amount recognised in Statement of Profit or Loss	**118.01**	**111.67**

Lease payments not recognised as a liability

The Company has elected not to recognise a lease liability for current leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The Company does not have any liability to make variable lease payments for the right-to-use the underlying asset recognised in the financial statements.

Total cash outflow for short-term leases for the year ended 31 March 2024 is Rs. 20.36 million (previous year Rs. 19.73 million).

The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Rs. million

Particulars	Right of use assets taken under lease (nos.)	Range of remaining term (years)	Average remaining lease term (years)
Building			
- 31 March 2024	39	1 to 9	7
- 31 March 2023	40	1 to 9	7
Land			
- 31 March 2024	13	34 to 83	49
- 31 March 2023	13	34 to 84	50
Car			
- 31 March 2024	58	4 to 5	4
- 31 March 2023	33	4 to 5	5

The Company does not face a significant liquidity risk with regard to its lease liabilities to meet the obligations related to lease liabilities as and when they fall due.

Notes to the standalone financial statements for the year ended 31 March 2024

39. Segment reporting

The Company is engaged in a single segment i.e. the business of "automotive components" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

Geographical information in respect of sale of products from customers is given below:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Domestic Sale	23,901.33	20,758.24
Export Sale	5,181.89	4,840.91
	29,083.22	**25,599.15**

Notes:

a) There are no non-current assets domiciled outside India.

b) During the financial year ended 31 March 2024, revenue from one customer amounting to Rs 3,051.56 million (previous year Rs. 2,756.34 million) represents 10% or more of the Companys' revenue from operations.

40. Micro, Small and Medium enterprises as defined under the MSMED Act

The status of vendors under Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is based on certificate submitted by vendors about their coverage under the provisions of MSMED Act, 2006.

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Amount remaining unpaid to suppliers under MSMED Act as at the end of year		
- Principal amount *	102.95	135.24
- Interest due thereon	-	-
Amount of payments made to suppliers beyond the appointed day during the year		
- Principal amount	2.14	2.66
- Interest actually paid under section 16 of MSMED	-	-
Amount of interest due and payable for delay in payment (which has been paid but beyond the appointed day during the year) but without adding interest under MSMED		
Interest accrued and remaining unpaid at the end of the year		
- Interest accrued during the year	0.01	0.04
- Interest remaining unpaid as at the end of the year	0.09	0.16
Interest remaining disallowable as deductible expenditure under the Income-tax Act, 1961	0.01	0.04

*Includes capital creditors Rs 0.60 million (previous year nil) and security deposits of Rs.6.91 million (previous year Rs. 9.91 million)

Notes to the standalone financial statements for the year ended 31 March 2024

41. Contingent liabilities

Rs. million

	As at 31 March 2024	As at 31 March 2023
Claims against the Company disputed and not acknowledged as debts		
- Sales tax*	94.56	88.46
- Service tax*	19.79	18.77
- Excise Duty*	-	9.54
- Goods & Services Tax*	10.44	0.11
- Income tax*	1.43	1.43
- Employees' State Insurance#	28.83	28.83
- Labour matters#	298.02	246.06
- Commercial matters	25.84	24.97

All the above matters are subject to legal proceedings in the ordinary course of business. In the opinion of the management, the legal proceedings, when ultimately concluded, will not have a material effect on operations or the financial position of the Company.

* refer note 37

this pertains to the legal proceedings related to labour cases.

42. Capital and other commitments

Rs. million

		As at 31 March 2024	As at 31 March 2023
i)	Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	232.71	196.11

ii) Outstanding export obligation required to be fulfilled under the EPCG scheme against import of some machines/ capital equipments is as under:

a) average export obligation of Rs 2,618.30 million every year (previous year Rs. 1,927.01 million every year) to be fulfilled till the time specific export obligation is discharged and

b) specific export obligation of Rs. 67.30 million (previous year Rs. 21.80 million) to be fulfilled over a period of maximum up to 5 years. Customs duty saved against outstanding export obligation is Rs. 11.13 million (previous year Rs.3.34 million).

The Company has other commitments, for purchase / sales orders which are issued after considering requirements as per operating cycle for purchase / sale of goods, employee benefits including union agreements in normal course of business. The Company does not have any other long term commitments or material non-cancellable contractual commitments, which may have a material impact on the financial statements.

Notes to the standalone financial statements for the year ended 31 March 2024

43. Investment in subsidiary

i) The Company has made investment in equity shares of the following subsidiary (intermediary) for further investment in equity shares of ultimate beneficiary as under:

During the year ended 31 March 2024

Rs. million

Name of the intermediary	Date of investment into intermediary	Amount of investment in intermediary	Name of the ultimate beneficiary	Date of investment by intermediary into ultimate beneficiary	Amount of investment by intermediary into ultimate beneficiary
SPR Engenious Limited	10 October 2023	675.09	SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	16 October 2023	675.09
	05 February 2024	700.00	SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	01 February 2024	(15.12)*
				01 March 2024	700.00

*Rs. 55.0 million were held back in financial year 2022-23 to be paid as per terms of the Share Purchase Subscription Agreement. On 01 February 2024, Rs. 39.88 million paid to sellers after adjustment of Rs. 15.12 million on account of closing adjustments as per terms of Share Purchase Subscription Agreement. This has resulted into reduction in investment of SPR Engenious Limited in SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited) by Rs. 15.12 million.

During the year ended 31 March 2023

Rs. million

Name of the intermediary	Date of investment into intermediary	Amount of investment in intermediary	Name of the ultimate beneficiary	Date of investment by intermediary into ultimate beneficiary	Amount of investment by intermediary into ultimate beneficiary
SPR Engenious Limited	23 November 2022	299.50	SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	11 January 2023	780.03 *
	30 December 2022	480.53			

*Includes Rs. 55.0 million to be paid as per terms of the Share Purchase Subscription Agreement

ii) With regard to the above investments made during the financial year 2022-23 and financial year 2023-24, the Company has complied with the relevant provisions of the applicable laws.

iii) No fund has been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group 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 .

Notes to the standalone financial statements for the year ended 31 March 2024

44. Fair value measurement

i) The carrying value and fair value of financial instruments by categories as of 31 March 2024 are as under:

Rs. million

Particulars	Financial assets/ (financial liabilities) at fair value	Total carrying value	Total fair value
Financial assets/(financial liabilities)			
Investment in mutual fund	373.07	373.07	373.07
Investments in other equity instruments	48.00	48.00	48.00
Bank deposits	1,350.86	1,350.86	1,350.86
Security deposits	193.19	193.19	193.19
Derivatives instruments*			
- Cross Currency Swap	26.18	26.18	26.18
- Forward contracts	1.79	1.79	1.79
Total	**1,993.09**	**1,993.09**	**1,993.09**

The carrying value and fair value of financial instruments by categories as of 31 March 2023 are as under:

Rs. million

Particulars	Financial assets/ (financial liabilities) at fair value through profit or loss (FVTPL)	Total carrying value	Total fair value
Financial assets/(financial liabilities)			
Investment in mutual fund	674.97	674.97	674.97
Investments in other equity instruments	48.00	48.00	48.00
Bank deposits	651.97	651.97	651.97
Security deposits	194.10	194.10	194.10
Derivatives instruments*			
- Cross Currency Swap	23.41	23.41	23.41
- Forward contracts	1.96	1.96	1.96
Total	**1,594.41**	**1,594.41**	**1,594.41**

*Change in fair value is recognised in other comprehensive income.

ii) Fair value hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3."

Level 1 - This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - This level includes financial assets and liabilities, measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Notes to the standalone financial statements for the year ended 31 March 2024

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2024

Rs. million

Particulars	As at 31 March 2024	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3#
Financial assets/(liabilities)				
Investment in mutual fund*	373.07	-	373.07	-
Investments in other equity instruments**	48.00	-	-	48.00
Bank deposits	1,350.86	1,350.86	-	-
Security deposits****	193.19	-	-	193.19
Derivatives instruments***				
- Cross Currency Swap	26.18	-	26.18	-
- Forward contracts	1.79	-	1.79	-
Total	**1,993.09**	**1,350.86**	**401.04**	**241.19**

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2023

Rs. million

Particulars	As at 31 March 2023	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3#
Financial assets/(liabilities)				
Investment in mutual fund*	674.97	-	674.97	-
Investments in other equity instruments**	48.00	-	-	48.00
Bank deposits	651.97	651.97	-	-
Security deposits****	194.10	-	-	194.10
Derivatives instruments***				
- Cross Currency Swap	23.41	-	23.41	-
- Forward contracts	1.96	-	1.96	-
Total	**1,594.41**	**651.97**	**700.34**	**242.10**

There is no transfer between the fair value measurement hierarchy amongst level 1, level 2 and level 3 during the year ended 31 March 2023 and 31 March 2024.

* The fair values are based on net asset value

** This is the transaction price as at which the investment was made. In accordance with the Share Holder's Agreement ('SHA') executed between the Company and Lalganj Power Private Limited, the holding company of Lalganj Power Private Limited or any its nominees have an obligation to buy-back the aforementioned equity shares held by the Company for an amount, at the price at which the shares were acquired by the Company.

*** The fair values are based on exchange rates as at the reporting date

****The fair value is based on the valuation model which considers the present value of expected payment, discounted using a risk-adjusted discount rate. The own non-performance risk was assessed to be insignificant.

During the year there has not been any additions / deletions in level 3 investment.

Notes to the standalone financial statements for the year ended 31 March 2024

iii) Financial assets and financial liabilities that are measured at amortised cost are :

Rs. million

Particulars	Carrying amount	
	As at 31 March 2024	As at 31 March 2023
Financial assets		
Trade and other receivables	4,418.82	3,956.64
Cash and cash equivalents	306.57	285.38
Other bank balances	7,500.50	5,923.77
Other financial assets	363.46	193.89
Financial liabilities		
Borrowings	3,408.16	2,901.39
Trade payables	3,275.64	2,895.17
Lease Liabilities	268.88	291.91
Other financial liabilities	916.11	753.19

The carrying value of above financial assets and financial liabilities approximate its fair value.

45. Capital management

The Company's objective for managing capital is to ensure as under:

i) Ensure the company's ability to continue as a going concern

ii) Maintain a strong credit rating and debt equity and capital gearing ratio in order to support business and maximize the shareholders' value.

iii) Maintain an optimal capital structure.

iv) Compliance of financial covenants under the borrowing facilities.

The Company manages its capital structure keeping in view of:

i) Compliance of financial covenants under the borrowing facilities

ii) Changes in economic conditions

In order to achieve this overall objective of capital management, amongst other things, the Company aims to ensure that it meets financial covenants attached to the borrowings facilities defining capital structure requirements, where breach in meeting the financial covenants may permit the lender to call the borrowings. There have been no breach in the financial covenants of any borrowing facility in the current period. There is no change in the objectives, policies or processes for managing capital over previous year. To maintain the capital structure, the Company may vary the dividend payment to shareholders.

For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company and net debt includes total liabilities, comprising interest bearing loans and borrowings, excluding any dues to subsidiaries or group companies less cash and cash equivalents.

The Company monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts adjusted with available cash and bank balances divided by total capital (equity attributable to owners of the Company).

The funding requirement of the company is primarily met through internal accruals, leading to a negative net debt position as under:

Rs. million

	As at 31 March 2024	As at 31 March 2023
Borrowings (refer note 17 and 21) (including current maturities)	3,408.16	2,901.39
Less: cash and bank balances (refer note 14)	7,807.07	6,209.15
Net debt	**(4,398.91)**	**(3,307.76)**

Notes to the standalone financial statements for the year ended 31 March 2024

46. Financial risk management

The Company's principal financial liabilities, other than derivatives, comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that it derives directly from its operations. The Company also holds FVTPL current investments and enters into derivative transactions. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks under appropriate policies and procedures.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL current investments and derivative financial instruments.

a) Foreign exchange risk

The Company is exposed to foreign exchange risk through its sales and purchases from overseas in foreign currencies mainly in USD, EURO, CNY and JPY. The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations may be adversely affected as the rupee appreciates/ depreciates against these currencies."

Sensitivity

Each percentage point change in the foreign exchange rates has an impact on profit before tax / total equity as follows:

Rs. million

	Profit before tax		Total equity	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Exchange rate - increase by 1%	0.36	(0.65)	0.27	(0.49)
Exchange rate - decrease by 1%	(0.36)	0.65	(0.27)	0.49

The Company's foreign currency risk from financial instruments are as under

(Foreign currency million)

Particulars	Currency	As at 31 March 2024			As at 31 March 2023		
		Total	Hedged	Net	Total	Hedged	Net
Trade and other receivables	USD	9.44	7.43	2.01	8.16	3.70	4.46
	EUR	5.50	3.93	1.57	4.58	2.62	1.95
	JPY	14.20	0.75	13.45	24.85	-	24.85
	GBP	0.24	-	0.24	0.02	0.02	-
Trade payables	USD	0.73	-	0.73	1.22	0.06	1.16
	EUR	1.17	-	1.17	0.24	-	0.24
	CNY	1.89	-	1.89	-	-	-
	JPY	453.91	-	453.91	282.20	-	282.20
Capital creditors	JPY	145.68	145.68	-	145.68	145.68	-
Borrowings	USD	6.45	6.45	-	7.59	7.59	-

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Notes to the standalone financial statements for the year ended 31 March 2024

To manage this, the Company enters into cross currency interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

The Company is not exposed to any significant /material interest rate risk.

Sensitivity

Variable interest rate loan are exposed to interest rate risk, impact on profit before tax / total equity may be as follows:

Rs. million

	Profit before tax		Total equity	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Interest rate - increase by 0.50%	(17.04)	(14.51)	(12.75)	(10.86)
Interest rate - decrease by 0.50%	17.04	14.51	12.75	10.86

ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Credit risk is managed by Company's established policy, procedures and control relating to customer credit risk management.

Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. The Company uses expected credit loss model to assess the impairment loss and makes an allowance for doubtful debts using expected credit loss model on case to case basis.

Movement in the expected credit loss allowance

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Balance at beginning of the year	32.07	30.17
Add: Provided during the year	0.34	1.90
Balance at the end of the year	**32.41**	**32.07**

The ageing analysis of trade receivables (net) before adjustment of expected credit loss provision of Rs. 32.41 million (31 March 2023: Rs. 32.07 million) as of the reporting date is as follows:

Age Bracket	Not due	Less than 6 months	6 month to 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March 2024							
Trade receivable (gross)	3,961.67	454.07	9.63	6.38	3.91	15.57	4,451.23
Less: Allowance for expected credit loss	-	4.68	1.87	6.38	3.91	15.57	32.41
Trade receivable (net)	3,961.67	449.39	7.76	-	-	-	4,418.82
Expected credit loss %	**-**	**1.03%**	**19.42%**	**100.00%**	**100.00%**	**100.00%**	**0.73%**
As at 31st March 2023							
Trade receivable (gross)	3,511.73	430.05	23.58	5.88	3.38	14.09	3,988.71
Less: Allowance for expected credit loss	-	4.41	4.31	5.88	3.38	14.09	32.07
Trade receivable (net)	3,511.73	425.64	19.27	-	-	-	3,956.64
Expected credit loss %	**-**	**1.03%**	**18.26%**	**100.00%**	**100.00%**	**100.00%**	**0.80%**

Notes to the standalone financial statements for the year ended 31 March 2024

iii) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans. Liquidity risk is managed by Company's established policy & procedures made under liquidity risk management framework. The Company manages liquidity risk by maintaining adequate reserves, banking facilities, and reserve borrowing facilites,by continuously forecast and actual cash flows, and by matching the maturity profile of financial assets and liabilities.

The financial assets and liabilities have been appropriately disclosed in financial statements as current and non current portion. The maturity period of non current financial assets and financial liabilities ranges between 1 to 6 years except lease liabilities where period may vary as per respective lease agreements.

Rs. million

	As at 31 March 2024	As at 31 March 2023
On demand		
- Borrowings	1,900.02	1,122.08
Less than 1 year		
- Borrowings	455.91	406.41
-Trade payables	3,275.64	2,895.17
-Lease liabilities	54.36	63.31
-Other financial liabilities	888.93	663.06
More than 1 year		
- Borrowings	1,052.23	1,372.91
-Lease liabilities	214.52	228.59
Details of undrawn facilities of the Company from banks and financial institutions (fund based as well as non fund based):		
Total committed working capital limits from Banks	4,350.00	3,085.00
Utilized working capital limit	2,489.05	1,741.51
Unutilized working capital limit	1,860.95	1,343.49

iv) Commodity risk

Commodity price risk is the financial risk on the Company's profitability upon fluctuations in the prices of commodities since they are primarily driven by external market forces. Sharp fluctuations in commodity prices can affect production costs, product pricing and earnings. This price volatility makes it imperative for an entity to manage the impact of commodity price fluctuations across its value chain to effectively manage its financial performance and profitability. To mitigate these risks, the company employs multiple levers, each chosen based on a cost benefit analysis and the extent of exposure to commodity price fluctuations. These include assessing the feasibility of passing any adverse fluctuations onto customers through price increases, continuously engaging in cost optimisation initiatives and process improvement exercises. The Company also explores options such as localizing imports/ implementing global sourcing strategies to ensure most cost effective sourcing. Based on the assessment by the Company and after factoring the ability to optimise costs and pass on prices to customers, no individual commodity is expected to have a significant adverse impact on the financial performance/profitability beyond its materiality threshold approved by the Board.

Notes to the standalone financial statements for the year ended 31 March 2024

v) Other price risks

The Company has deployed its surplus funds into various financial instruments including units of mutual funds. The Company is exposed to NAV (net asset value) price risks arising from investments in these funds. The value of these investments is impacted by movements in interest rates , liquidity and credit quality of underlying securities.

47. Hedge accounting

i) Forwards contracts

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place.

Details of forward foreign currency contracts outstanding at the end of reporting period are as under:

(Foreign currency million)

Outstanding contracts	Currency	As at 31 March 2024	As at 31 March 2023
Maturing not later than one month	USD/INR	3.03	3.75
	EUR/INR	1.68	1.37
	EUR/USD	0.15	-
	JPY/INR	146.43	-
	JPY/USD	32.81	33.20
	GBP/INR	-	0.10
Maturing later than one month and not later than three months	USD/INR	4.41	-
	EUR/INR	2.26	1.25
	EUR/USD	0.41	-
	JPY/USD	225.00	100.00
	GBP/USD	0.08	-
Maturing later than three month and not later than one year	JPY/INR	-	145.68
	JPY/USD	100.00	-

The Company has designated foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The related hedge transactions for balance lying in cash flow hedging reserve are expected to occur and reclassified in the statement of profit or loss within 6 months.

Hedge effectiveness is determined at the inception of the hedge relationship. To ensure that an economic relationship exists between the hedged item and hedging instrument, the Company matches the critical terms of the hedged items and hedging instruments.

ii) Reconciliation of cash flow hedge reserve are as under:

Rs. million

Particulars	As at 31 March 2024	As at 31 March 2023
Assets /(liability)		
Balance at the beginning of the year	0.33	(10.05)
Gain / (Loss) recognised in other comprehensive income during the year	(1.78)	13.87
Tax impact on above	0.45	(3.49)
Balance at the end of the year	**(1.00)**	**0.33**

Notes to the standalone financial statements for the year ended 31 March 2024

48. The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.

49. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund (IEPF) by the Company during the year.

50. Expenditure on corporate social responsibility (CSR)

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(i) amount required to be spent by the Company during the year	51.96	30.90
(ii) amount spent during the year: a) construction/acquisition of any asset b) on purposes other than (a) above	 Nil 51.96*	 Nil 30.90**
(iii) shortfall at the end of the year	-	-
(iv) total of previous years shortfall	-	-
(v) reason for shortfall	NA	NA
(vi) details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA
*Includes Rs.8.63 million on "ongoing Projects" transferred to "Unspent CSR account" on 30 April 2024 ** Includes Rs.2.09 million on "ongoing Projects" transferred to "Unspent CSR account" on 28 April 2023.		

(vii) The Company has taken up CSR projects/programmes/activities in the following areas:

(a) Education
(b) Health Care
(c) Sanitation
(d) Environment preservation
(e) Other areas as approved by the CSR Committee/Board

The movement in the unspent CSR A/c is as under:

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening balance of unspent CSR A/c	8.04	16.18
Add: Addition during the year	8.63	2.09
Less: Utilisation during the year	6.07	10.23
Closing balance of unspent CSR A/c	**10.60**	**8.04**

Notes to the standalone financial statements for the year ended 31 March 2024

51. Summary of quarterly statements to banks

The Company is regular in submission of monthly statements of current assets with banks for the borrowings sanctioned against security of such assets. Below table represents the summary of reconciliation of the quarterly statements filed by the Company with banks:

Quarter	Name of Banks	Working capital limit	Nature of current assets offered as security	Amount as reported as per statements (A)	Amount as per books of accounts (B)	Differences (A) - (B) (refer note below)
March 2023	Working Capital Consortium Led by UCO Bank	2980.00	Inventories	3,315.82	3,315.82	-
			Trade receivables	3,956.64	3,956.64	-
			Trade payables	3,435.53	3,435.53	-
June 2023	Working Capital Consortium Led by UCO Bank	2980.00	Inventories	3,502.25	3,502.25	-
			Trade receivables	4,067.11	4,067.11	-
			Trade payables	3,616.67	3,616.67	-
September 2023	Working Capital Consortium Led by UCO Bank	2980.00	Inventories	3,565.56	3,565.56	-
			Trade receivables	4,311.58	4,311.58	-
			Trade payables	3,693.82	3,693.82	-
December 2023	Working Capital Consortium Led by UCO Bank	3500.00	Inventories	3,907.88	3,907.88	-
			Trade receivables	3,954.24	3,954.24	-
			Trade payables	3,799.34	3,799.34	-

The Company is yet to file statement for the quarter ended 31 March 2024 with the banks.

The working capital consortium comprises of UCO Bank (lead bank till 30 March 2024), State Bank of India, IDBI Bank (lead bank w.e.f. 30 March 2024, Axis Bank, HDFC Bank, Citi Bank, HSBC Bank, DBS Bank and ICICI Bank (newly inducted w.e.f. 30 March 2024).

52. Additional regulatory information

Particulars	Unit	Numerator	Denominator	Year ended 31 March 2024	Year ended 31 March 2023	Variances (%)
Current ratio	Times	Total current assets	Total current liabilities	2.32	2.50	-7%
Debt-Equity ratio	Times	Debt consist of borrowings	Total Equity	0.17	0.19	-8%
Debt service coverage ratio**	Times	Earnings for Debt service= Net profit after tax + depreciation + interest	Debt service = Interest and lease payments+ Principal repayments	12.68	20.39	-38%
Return on equity ratio*	%	Profit for the year	Average total equity	25.68	21.23	21%
Inventory turnover ratio	Times	Cost of Goods sold	Average inventory	6.04	5.67	6%
Trade receivables turnover ratio	Times	Sales of products	Average trade receivables	6.94	6.82	2%
Trade payables turnover ratio	Times	Cost of material + other expenses	Average trade payable	6.09	5.34	14%

Notes to the standalone financial statements for the year ended 31 March 2024

Particulars	Unit	Numerator	Denominator	Year ended 31 March 2024	Year ended 31 March 2023	Variances (%)
Net capital turnover ratio	Times	Sales of products	Average working capital (i.e Total current assets less Total current liabilities)	3.14	3.40	-8%
Net profit ratio*	%	Profit for the year	Sales of products	15.36	11.55	33%
Return on capital employed	%	Profit before tax and finance cost	Capital employed = Net worth + Debt	26.93	22.52	20%
Return on investment.	%	Income generated from invested funds	Average invested funds in treasury investment	6.19	6.81	-9%

* The variation is more than 20% over last year due to improvement in revenue/cost optimisation resulting into improved profit

** Due to repaymenet of term loan borrowings made by company during the year.

53. The Board pursuant to shareholder's approval in the annual general meeting held on 06 July 2023, allotted 22,024,912 equity shares as bonus share in the ratio of 1:1 to those shareholders who held shares as on record date i.e. 24 July 2023.

54. During the year, Company has acquired 62 % of equity share in SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) through its wholly owned subsidiary SPR Engenious Limited. Further, the Company has provided following corporate guarantee in favour of the bank to provide additional security against term loan granted by the bank:

Rs. million

Name of the step down subsidiary	Name of the bank	Amount of loan	Amount of guarantee
SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	HDFC Bank	1,100.00	1,100.00

55. The Company has invested Rs. 2,300.00 million (previous year: Rs. 1200.00 million) in SPR Engenious Limited (SEL), its wholly owned subsidiary (WOS), which has been incorporated on 26 September 2022 with the Registrar of Companies (Delhi & Haryana) through right issue with purpose of diversifying its product portfolio in the areas related to the automotive segment. During the year, the company has infused Rs. 700.00 million through subscription of equity share capital of SPR Engenious Limited (SEL), wholly owned subsidiary of the company. Further, SEL has infused Rs. 700.00 million by way of subscription to the equity share capital of SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited) (SPR-EMFI), step down subsidiary of the company. Accordingly, the shareholding of SEL in SPR-EMFI has increased from 51.00% to 66.42%. Accordingly, SEL became the material subsidiary in terms of Regulation 24(1) of SEBI Listing Regulations 2015. Further, SEL commenced manufacturing operations on 27 March 2024, at its facility located at Pithampur, Madhya Pradesh.

56. The Board of Directors of the Company in its meeting held on 08 February 2023 has approved acquisition of majority stake of 75% in SPR Takahata Precision India Pvt Ltd. (SPR-TPIPL) through SPR Engenious Limited (SEL), its wholly-owned subsidiary. The definitive agreements in connection with the acquisition transaction were executed on 09 February 2023.

Further, on 14 October 2023, the Board of Directors of the Company approved the proposal for amending the Share Purchase Agreement (SPA) and Shareholders' Agreement (SHA) in the form of addendums to the SPA and SHA dated 9 February 2023 with respect to acquisition of 62% stake in SPR-TPIPL through SEL. The acquisition of SPR-TPIPL has been completed on 16 October 2023. With this, SPR-TPIPL has become a step-down subsidiary of the Company.

57. The Company has no transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Notes to the standalone financial statements for the year ended 31 March 2024

58. (i) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(iii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

59. There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.

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

61. The Company is not declared wilful defaulter by any bank or financial institution or government or any government authority

62. The Company has complied with the number of layers as prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

63. During FY 2023-24, the Company has provided loans, made investment and given guarantee to its wholly owned subsidiary and its step down subsidiary pursuant to provisions of section 186 (4) to be utilised by them for the purpose of its normal business activity.

Rs. million

Particulars	As at 31 March 2023	Addition	Reduction	As at 31 March 2024
Investment in wholly owned subsidiary - SPR Engenious Limited	1,200.00	2,300.00	-	3,500.00
Investment in equity shares - Lalganj Power Private Limited	48.00	-	-	48.00
Corporate guarantee given on behalf of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	-	1,100.00	-	1,100.00
Inter-corporate loan - SPR Engenious Limited	-	148.40	148.40	-
Inter-corporate loan - SPR EMF Innovations Private Limited	-	20.00	20.00	-

*Unsecured loan for a period upto 6 months with interest rate ranging from 8.20 % p.a. - 8.60 % p.a.

64. Figures of previous year have been regrouped/ reclassified, wherever necessary, to correspond with the figures of the current period. The impact of such regrouping/ reclassification is not material to these standalone financial statements.

65. In terms of SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021, the company falls under the definition of "Large Corporate" (LC) as on 31 March 2024 based on following details:

Particulars	Amount in Rs. million
Outstanding Qualified Borrowings as on 31 March 2023	1,374.45
Outstanding Qualified Borrowings as on 31 March 2024	1,332.85
Highest credit rating of the company related to unsupported bank borrowing or plain vanilla bonds, which have no structuring/support built in	IND AA
Incremental borrowing during the financial year 2023-24	143.4
Borrowing by way of issuance of debt securities during the financial year 2023-24	NIL

In terms of SEBI Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/172 dated 19 October 2023, the Company has not made 25% of the incremental borrowings which amounts to Rs. 35.85 million, by way of issuance of debt securities during the financial year 2023-24 due to the following reasons:

i) The amount of borrowing required to be raised through debt securities is too insignificant.

ii) The cost of raising funds through debt securities for this small amount is not competitive.

Notes to the standalone financial statements for the year ended 31 March 2024

66. The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall only use such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such change were made and ensuring that the audit trail cannot be disabled. The new requirement is applicable with effect from the financial year beginning on 1 April 2023.

    During the year, the audit trail (edit log) at the application level for the accounting software were operating for all relevant transactions recorded in the software.

    However, the audit trail (edit logs) feature for any direct changes made at the database level was not enabled for the accounting software SAP ECC used for maintenance of books of account.

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

For and on behalf of the Board of Directors

Arun Tandon
Partner
Membership no. 517273

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 13 May 2024

Independent Auditor's Report

To the Members of Shriram Pistons & Rings Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Shriram Pistons & Rings Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure I, which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us 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 ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31 March 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated 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.

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

Matter 1: Revenue recognition

Key audit matter	How our audit addressed the key audit matter
Revenue Recognition of sale of products (refer note 2.A.12 to the accompanying consolidated financial statements for material accounting policy information on revenue recognition and note 24 for the details of revenue recognised during the year.) Revenue from contracts with customers for the year ended 31 March 2024 is Rs. 30,427.90 million. The Company recognizes revenue from sale of products upon satisfaction of its performance obligation, i.e., transfer of control to the customer in accordance with the principles of Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115') Revenue, being one of the key performance indicators of the Company and its external stakeholders, is subject to high inherent risk of material misstatement, and is therefore determined to be an area involving significant risk in line with the requirements of the Standards on Auditing which required significant auditor attention.	Our audit procedures in relation to revenue recognition included, but were not limited to, the following: a) Understood the nature of revenue transactions, revenue recognition process and evaluated the appropriateness of the accounting policy adopted by the management in accordance with Ind AS 115; b) Evaluated the design and tested operating effectiveness of key controls around revenue recognition for a sample of transactions; c) Performed substantive testing on selected samples of revenue transactions recorded during the year, and transactions recorded during specific period before and after year end, by inspecting supporting documents such as customer contracts/ purchase orders, invoices, shipment terms, proofs of dispatch and delivery etc., to ensure the accuracy and completeness of revenue recorded for such transactions;

Key audit matter	How our audit addressed the key audit matter
Further, due to varying shipment terms with its customers across its operating markets, considerable efforts are required by the management on determining the timing of revenue recognition according to Ind AS 115. Considering the above along with the significance of amount, volume of transactions and varied terms of contracts with customers, we have identified revenue recognition as a key audit matter for the current year audit.	d) Performed substantive analytical procedures on revenue recognised during the year such customer wise variance analysis, Product wise analysis, to identify any unusual and/ or material variances; e) Tested unusual non-standard journal entries impacting revenue, selected based on risk-based criteria and f) Evaluated the appropriateness and adequacy of disclosures made in the accompanying consolidated financial statements in respect of revenue recognition in accordance with financial reporting framework.

Matter 2: Business Combination

Key audit matter	How our audit addressed the key audit matter
Business Combination accounting under Ind AS 103 (Refer note 2.A.11 to the accompanying consolidated financial statements for material accounting policy information on business combination and note 48 (a) for the details of business acquired during the year). On 16 October 2023, the Holding Company acquired 62% stake in SPR Takahata Precision India Private Limited ('SPR-TPIPL') through its wholly-owned subsidiary SPR Engenious Limited ('SEL') for a purchase consideration amounting to Rs. 675.09 million. With this, SPR-TPIPL has become a step-down subsidiary of the Holding Company. The share purchase agreement also includes a call option with SEL to buy remaining stake in SPR-TPIPL from the minority shareholders and a corresponding put option with the minority shareholders to ask SEL to purchase their shares during specified periods mentioned therein. Accordingly, the Group has recognised a put liability aggregating to Rs. 82.73 million, as further described in note 48 (a) to the accompanying consolidated financial statements, with respect to such options in accordance with the requirements of Ind AS 32, Financial Instruments Presentation. The Group has accounted for aforementioned business acquisition in accordance with Ind AS 103, "Business Combinations" ('Ind AS 103'), which requires the recognition of identifiable assets and liabilities at acquisition date fair values, with the excess of the acquisition price over the net assets acquired, recognised as goodwill. The allocation of the purchase price to identifiable assets and liabilities including intangibles and aforementioned options acquired was performed by external valuation experts using discounted cash flow method and multi-purpose excess earning method valuation models. The assumptions underpinning aforesaid fair valuation includes estimates of future cash flows, contributory asset charges, discount rate applied, etc., which are subject to high estimation uncertainty. Considering the materiality of the amount and management judgement involved and the significant auditor attention required to test such management estimates, we have identified the accounting for aforesaid business combination as a key audit matter for current year audit.	Our audit procedure included, but were not limited to, the following procedures: a) Obtained an understanding from the management with respect to business acquisition process and evaluated the design and tested the operating effectiveness of the Holding Company's controls over the accounting of business combination which includes valuation of identified assets and liabilities acquired under the business combination; b) Assessed appropriateness of the accounting policy adopted by the management in terms of the requirements of Ind AS 103; c) Obtained the understanding of the terms of agreements entered by the Company for the said acquisition to evaluate management's assessments; d) Evaluated the competence and objectivity of the management's experts engaged by the Holding Company to perform the purchase price allocation; e) Involved valuation specialists as auditor's experts to assist in evaluating the appropriateness of the valuation model and the key valuation assumptions used for fair valuation of assets and liabilities including identification and measurement of intangible assets, options and goodwill; f) Tested the projections included in the valuation models used above basis our understanding of the business and market conditions, with specific attention to inputs with high estimation uncertainty as identified by performing sensitivity analysis; g) Tested the arithmetical accuracy of the management computation as above; and h) Assessed the adequacy of the disclosures made in the accompanying consolidated financial statements in respect of the acquisition in accordance with the requirements of applicable accounting standards.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated 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 and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation 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 changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

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

10. 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act 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 Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' 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 to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors.

12. 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.

13. 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.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Matter

15. The consolidated financial statements of the Group for the year ended 31 March 2023 were audited by the predecessor auditor, Deloitte Haskins & Sells, who have expressed an unmodified opinion on those consolidated financial statements vide their audit report dated 08 May 2023.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit, we report that the Holding Company and its 2 subsidiaries incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that 1 subsidiary incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary.

17. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

18. As required by section 143(3) of the Act, based on our audit 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 purpose 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 so far as it appears from our examination of those books except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

c) The consolidated financial statements 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 Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

e) On the basis of the written representations received from the directors of the Holding Company, and its subsidiaries and taken on record by the Board of Directors of the Holding Company and its subsidiaries, covered under the Act, none of the directors of the Group companies, are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.

f) The modification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 18(b) above on reporting under section 143(3)(b) of the Act and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiaries covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' wherein we have expressed an unmodified opinion; and

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

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in note 39 to the consolidated financial statements;

ii. The Holding Company and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024.;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries during the year ended 31 March 2024;

iv. a. The respective managements of the Holding Company and its subsidiaries, incorporated in India whose financial statements have been audited under the Act have represented to us respectively that, to the best of their knowledge and belief, other than as disclosed in note 41 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiaries, ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiaries, incorporated in India whose financial statements have been audited under the Act have represented to us respectively that, to the best of their knowledge and belief, other than as disclosed in the note 59 to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The interim dividend declared and paid by the Holding Company during the year ended 31 March 2024 and until the date of this audit report is in compliance with section 123 of the Act.

The final dividend paid by the Holding Company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 15 (g) to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2024 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. As stated in note 65 to the consolidated financial statements and based on our examination which included test checks, except for the instances mentioned below, the Holding Company and its subsidiaries, in respect of financial year commencing on or after 1 April 2023, have used accounting softwares for maintaining their books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with other than the consequential impact of the exception given below.

a. The audit trail feature in the accounting software (Tally Prime 2.1) used for maintenance of accounting records of the subsidiary SPR Takahata Precision India Private Limited was not enabled from 1 April 2023 to 24 April 2023.

b. The audit trail feature in the accounting software (Tally Prime Gold release 4.0) used for maintenance of accounting records of subsidiary SPR EMF Innovations Private Limited was not enabled from 1 April 2023 to 09 February 2024.

c. The audit trail feature was not enabled at the database level for accounting software (SAP ECC) to log any direct data changes, used for maintenance of all accounting records by the Holding Company and subsidiary SPR Engenious Limited.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Arun Tandon
Partner
Membership No.: 517273
UDIN: 24517273BKEXFM2989

Place: New Delhi
Date: 13 May 2024

Annexure I

List of entities included in the Statement

S.No.	Name of the Holding Company
1.	Shriram Pistons & Rings Limited
	Name of subsidiaries
2.	SPR EMF Innovations Private Limited (Formerly EMF Innovations Private Limited) (with effect from 11 January 2023)
3.	SPR Engenious Limited (incorporated on 26 September 2022)
4.	SPR Takahata Precision India Private Limited (Formerly Takahata Precision India Private Limited) (with effect from 16 October 2023)

Annexure II

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Shriram Pistons & Rings Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion the Holding Company and its subsidiary companies which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Holding Company and its subsidiary companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Arun Tandon
Partner
Membership No.: 517273
UDIN: 24517273BKEXFM2989

Place: New Delhi
Date: 13 May 2024

Consolidated Balance Sheet as at 31 March 2024

Rs. million

	Note No.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	6,791.38	5,432.66
b) Capital work-in-progress	4	314.54	46.71
c) Goodwill	5	466.16	411.75
d) Other intangible assets	5	1,072.43	905.98
e) Right of use assets	6	1,009.74	971.62
f) Financial assets			
(i) Investments	7	48.00	48.00
(ii) Other financial assets	9	1,621.58	987.34
g) Deferred tax assets (net)	20	25.75	22.34
h) Other non-current assets	11	464.62	273.27
		11,814.20	**9,099.67**
Current assets			
a) Inventories	12	3,910.52	3,388.84
b) Financial assets			
(i) Investments	8	1,097.39	674.97
(ii) Trade receivables	13	4,760.55	3,965.90
(iii) Cash and cash equivalents	14	534.90	305.15
(iv) Other bank balances other than (iii) above	14	8,084.82	6,163.77
(v) Other financial assets	9	450.65	201.43
c) Current tax assets (net)	10	-	**0.90**
d) Other current assets	11	729.83	340.59
		19,568.66	**15,041.55**
TOTAL ASSETS		**31,382.86**	**24,141.22**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	15	440.50	220.25
b) Other equity	16	18,816.24	15,054.31
Equity attributable to owners of the Company		19,256.74	15,274.56
c) Non-controlling interest		948.79	449.81
Total equity		**20,205.53**	**15,724.37**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	17	2,070.98	1,460.18
(ii) Lease liabilities	37	260.87	276.44
(iii) Other financial liabilities	23	85.00	93.78
b) Provisions	18	320.53	287.22
c) Deferred tax liabilities (net)	20	373.47	301.87
d) Other non-current liabilities	19	19.75	5.21
		3,130.60	**2,424.70**
Current liabilities			
a) Financial liabilities			
(i) Borrowings	21	2,478.15	1,528.48
(ii) Lease liabilities	37	55.86	66.44
(iii) Trade payables	22		
- Total outstanding dues of micro enterprises and small enterprises		123.48	129.54
- Total outstanding dues of creditors other than micro enterprises and small enterprises		3,436.32	2,785.70
(iv) Other financial liabilities	23	1,053.01	725.33
b) Other current liabilities	19	663.64	582.08
c) Provisions	18	152.36	137.61
d) Current tax liabilities (net)	10	83.91	36.96
		8,046.73	**5,992.14**
TOTAL EQUITY AND LIABILITIES		**31,382.86**	**24,141.22**

See accompanying notes to the consolidated financial statements 1-65

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 13 May 2024

Consolidated Statement of Profit and Loss for the year ended 31 March 2024

Rs. million

		Note No.	For the Year ended 31 March 2024	For the Year ended 31 March 2023
I	Revenue from operations	24	30,893.25	26,093.28
II	Other income	25	852.71	466.63
III	**Total income (I+II)**		**31,745.96**	**26,559.91**
IV	**Expenses**			
	Cost of materials consumed	26	11,663.32	9,926.92
	Purchase of stock-in-trade		876.14	973.42
	(Increase) / decrease in inventories of finished goods, work-in-progress and stock-in-trade	27	(61.81)	81.87
	Employee benefits expense	28	4,594.77	4,095.13
	Finance costs	29	304.57	192.90
	Depreciation and amortisation expense	30	1,077.07	947.12
	Other expenses	31	7,400.58	6,412.37
	Total expenses		**25,854.64**	**22,629.73**
V	**Profit before tax (III-IV)**		**5,891.32**	**3,930.18**
VI	**Tax expense:**			
	i) Current tax	10	1,528.02	1,045.88
	ii) Deferred tax	20	(23.34)	(54.48)
			1,504.68	**991.40**
VII	**Profit for the year (V-VI)**		**4,386.64**	**2,938.78**
VIII	**Other comprehensive income**			
	A (i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the post employment defined benefit plans		89.58	117.17
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(22.57)	(29.49)
	B (i) Items that will be reclassified to profit or loss			
	a) Fair value change of cash flow hedge		(2.34)	13.87
	(ii) Income tax relating to items that will be reclassified to profit or loss		0.45	(3.49)
	Total other comprehensive income		**65.12**	**98.06**
IX	**Total comprehensive income (VII+VIII)**		**4,451.76**	**3,036.84**
X	**Profit attributable to:**			
	Owners of Shriram Pistons and Rings Limited		4,425.55	2,934.58
	Non- controlling interest		(38.91)	4.20
			4,386.64	**2,938.78**
XI	**Other comprehensive income**			
	Owners of Shriram Pistons and Rings Limited		65.39	98.06
	Non- controlling interest		(0.27)	-
			65.12	**98.06**
XII	**Total Comprehensive income**			
	Owners of Shriram Pistons and Rings Limited		4,490.94	3,032.64
	Non- controlling interest		(39.18)	4.20
			4,451.76	**3,036.84**
	Earnings per share (of Rs. 10/- each)	33		
	Basic (Rs)		100.47	66.62
	Diluted (Rs)		100.47	66.62

See accompanying notes to the consolidated financial statements 1-65

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 13 May 2024

Consolidated Statement of Cashflow for the year ended 31 March 2024

Rs. million

			Year ended 31 March 2024	Year ended 31 March 2023
A.	**Cash flow from operating activities**			
	Profit before tax		**5,891.32**	**3,930.18**
	Adjustments for :			
	Depreciation/amortisation (refer note 30)		1,077.07	947.12
	Finance costs (refer note 29)		304.57	192.90
	Bad debts/advances written off (refer note 31)		5.14	0.53
	Provision for doubtful debts (net) (refer note 31)		2.53	6.56
	Interest income		(660.87)	(326.85)
	Net gain on sale/ fair valuation of current investment		(49.95)	(32.25)
	Unrealised exchange rate variation (net)		(43.40)	(27.24)
	Loss / (profit) on sale / write off / retirement of property, plant and equipment		3.28	(28.35)
	Operating profit before working capital changes		**6,529.69**	**4,662.60**
	Adjustments for:			
	(Increase)/ decrease in inventories		(265.62)	20.83
	(Increase)/ decrease in trade receivables		(357.17)	(396.28)
	(Increase)/ decrease in other financial assets (current and non current)		(74.27)	(36.10)
	(Increase)/ decrease in other assets (current and non current)		(280.49)	(32.92)
	Increase/ (decrease) in trade payables		483.91	381.12
	Increase/ (decrease) in other financial liabilities (current and non current)		299.70	180.25
	Increase/ (decrease) in other liabilities and provisions (current and non current)		92.68	194.09
	Cash generated from operations		**6,428.43**	**4,973.59**
	Income tax paid		(1,561.14)	(1,021.82)
	Net cash generated from operating activities	**(A)**	**4,867.29**	**3,951.77**
B.	**Cash flow from investing activities**			
	Interest received		485.78	196.56
	Sale of property, plant and equipment		(3.28)	55.02
	Purchase of property, plant and equipment		(1,415.53)	(503.43)
	Purchase of intangible assets		(45.76)	(770.77)
	Purchase of current investment		(18,591.13)	(14,201.52)
	Proceeds from sale of current investment		18,218.66	13,830.54
	Investment in subsidiary (net of cash and cash equivalents acquired)		(364.75)	-
	Investment in margin money with banks		-	(49.71)
	Proceeds from redemption of investment in margin money with banks		50.44	-
	Investment in deposit with banks		(3,271.90)	(3,318.20)
	Proceeds from redemption of deposit with banks		721.52	-
	Net cash (used) in investing activities	**(B)**	**(4,215.95)**	**(4,761.51)**

Consolidated Statement of Cashflow for the year ended 31 March 2024

Rs. million

			Year ended 31 March 2024	Year ended 31 March 2023
C.	**Cash flow from financing activities**			
	Repayment of lease liabilities		(68.34)	(82.26)
	Interest paid on lease liability		(29.36)	(22.69)
	Interest paid on borrowing		(262.62)	(168.70)
	Dividend paid		(330.37)	(308.35)
	Proceeds from non-current borrowings		343.62	1,308.68
	Repayment of non-current borrowings		(620.38)	-
	Movement in short-term borrowings (net)		777.94	397.78
	Proceeds from deposits		-	11.33
	Repayment of deposits		(232.08)	(206.12)
	Net cash (used) in /generated from financing activities	**(C)**	**(421.59)**	**929.67**
	Net increase in cash and cash equivalents	**(A+B+C)**	**229.75**	**119.93**
	Cash and cash equivalents at the beginning of the year		**305.15**	**185.22**
	Cash and cash equivalents at the end of the year		**534.90**	**305.15**
	Components of cash and cash equivalents (refer note 14)			
	Cash in hand		0.53	0.43
	Balances with banks	-		
	- current accounts		254.37	304.72
	- Deposits with banks, with original maturity less than 3 months		280.00	-
			534.90	**305.15**

Notes to statement of cash flows:

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7.

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

For and on behalf of the Board of Directors

Arun Tandon
Partner
Membership no. 517273

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 13 May 2024

Consolidated Statement of Change in Equity as at 31 March 2024

a) Fully paid up equity shares
(face value of Rs. 10/- each)

	Nos of shares	Amount Rs. million
Balance as at March 31, 2022	2,20,24,912	220.25
Add: Issued during the year	-	-
Balance as at 31 March 2023	22,024,912	220.25
Add: - Issued during the year (refer note 53)	22,024,912	220.25
Balance as at 31 March 2024	**44,049,824**	**440.50**

(b) Other Equity

Rs. million

Particulars	Reserves and surplus						Items of other comprehensive income	Equity component of compound financial instrument	Total	Non-Controlling interest
	Preference share redemption reserve*	Capital redemption reserve*	Revaluation reserve*	Retained earnings	General reserve	Sub Total	Effective portion of cash flow hedge reserve			
Balance as at 31 March 2022	**388.58**	**3.50**	**97.29**	**1,300.00**	**10,550.72**	**12,340.09**	**(10.05)**	**-**	**12,330.04**	**-**
Profit for the year	-	-	-	2,934.58	-	2,934.58	-	-	2,934.58	4.20
Reversal on disposal of revalued assets	-	-	(0.02)	-	-	(0.02)	-	-	(0.02)	-
Dividends	-	-	-	(308.35)	-	(308.35)	-	-	(308.35)	-
Non-controlling interest on business combination during the year (refer note 48 b)	-	-	-	-	-	-	-	-	-	445.61
Other comprehensive income for the year, net of tax	-	-	-	87.68	-	87.68	10.38	-	98.06	-
Transfer to general reserve	-	-	-	(2,713.91)	2,713.91	-	-	-	-	-
Balance as at 31 March 2023	**388.58**	**3.50**	**97.27**	**1,300.00**	**13,264.63**	**15,053.98**	**0.33**	**-**	**15,054.31**	**449.81**
Profit for the year	-	-	-	4,425.55	-	4,425.55	-	-	4,425.55	(38.91)
Used for issuance of bonus shares	(220.25)	-	-	-	-	(220.25)	-	-	(220.25)	-
Reversal on disposal of revalued assets	-	-	(0.02)	-	-	(0.02)	-	-	(0.02)	-
Dividends (refer note 15 h)	-	-	-	(330.37)	-	(330.37)	-	-	(330.37)	-
Non-controlling interest on business combination during the year (refer note 48 a)	-	-	-	-	-	-	-	-	-	413.80
Change in ownership interest (refer note 51)	-	-	-	(124.37)	-	(124.37)	-	-	(124.37)	124.37
Equity component of compound financial instrument	-	-	-	-	-	-	-	28.72	28.72	-
Put liability recognised (refer note 23)	-	-	-	(82.73)	-	(82.73)	-	-	(82.73)	-
Other comprehensive income for the year, net of tax	-	-	-	67.03	-	67.03	(1.62)	-	65.41	(0.27)
Transfer to general reserve	-	-	-	(3,955.11)	3,955.11	-	-	-	-	-
Balance as at 31 March 2024	**168.33**	**3.50**	**97.25**	**1,300.00**	**17,219.74**	**18,788.81**	**(1.29)**	**28.72**	**18,816.24**	**948.79**

* The revaluation reserve, preference share redemption reserve and capital redemption reserve are not "free reserve" as per Companies Act 2013, hence not available for distribution of dividend.

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 13 May 2024

Notes to the consolidated financial statements for the year ended 31 March 2024

1. Corporate information

The consolidated financial statements comprise financial statements of Shriram Pistons & Rings Limited ("the Holding Company") having CIN No.- L29112DL1963PLC004084 and its subsidiaries (collectively referred as "the Group") for the year ended 31 March 2024.

The Group is engaged in the business of manufacturing of auto components including pistons, piston pins, piston rings, engine valves, electric motors, motor controllers for the electric vehicles & other applications, precision moulded resin parts, precision metal moulds and assembled resin parts. The consolidated financial statements have been approved for issuance by the Holding Company's Board of Directors on 13 May 2024.

2. (A) Material accounting policy information

2.A.1.1 Basis of accounting and preparation of financial statements

The consolidated financial statements ("financial statements") have been prepared in accordance with the Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 and Companies (Indian Accounting Standards) Amendment Rules, 2017 issued by the Ministry of Corporate Affairs ('MCA').

The financial statements have been prepared under historical cost convention on accrual and going concern basis, except for the following assets and liabilities:-

i) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

ii) Investments in unquoted equity shares measured at fair value

iii) Defined benefit liabilities are measured at present value of defined benefit obligation.

iv) Certain financial assets and liabilities at amortised cost

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The buyback of equity shares and related transaction costs are recorded as reduction of retained earnings/ general reserves. Capital redemption reserve is created as an apportionment from general reserves.

The financial statements are presented in INR "(Indian Rupees)" and all values are rounded to the nearest million, except when otherwise indicated.

2.A.1.2 Fair value measurement

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

- Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities

- Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Notes to the consolidated financial statements for the year ended 31 March 2024

- Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

2.A.1.3 Basis of consolidation

The consolidated financial statements of the Holding Company and its subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses. All intragroup assets and liabilities, equity, income, expenses, unrealised gain on transactions and cash flows relating to transactions between Group companies are eliminated in full on consolidation.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Holding Company's separate financial statements.

The consolidated financial statements incorporate the financial statements of the Holding Company and its subsidiaries. Control is achieved when the Holding Company:

- has power over the investee;

- is exposed, or has rights, to variable returns from its involvement with the investee; and

- has the ability to use its power to affect its returns.

The Holding Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Holding Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Holding Company considers all relevant facts and circumstances in assessing whether or not the Holding Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Holding Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

- potential voting rights held by the Holding Company, other vote holders or other parties;

- rights arising from other contractual arrangements; and

- any additional facts and circumstances that indicate that the Holding Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiaries begins when the Holding Company obtains control over the subsidiaries and ceases when the Holding Company loses control of the subsidiaries. Specifically, income and expenses of a subsidiaries acquired or disposed off during the year are included in the consolidated statement of profit and loss and other comprehensive income from the date the Holding Company gains control until the date when the Holding Company ceases to control the subsidiaries.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Holding Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Holding Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

The financial statements of the entities used for the purpose of consolidation are drawn up to same reporting date as that of the Group i.e. year ended 31 March 2024.

Notes to the consolidated financial statements for the year ended 31 March 2024

S. No.	Name of the Company	Country of Incorporation	Relationship as at 31 March 2024	Percentage of effective ownership interest held (directly or indirectly)	
				31 March 2024	31 March 2023
1.	SPR Engenious Limited	India	Subsidiary of Shriram Pistons & Rings Limited	100.00%	100.00%
2.	SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	India	Subsidiary of Shriram Pistons & Rings Limited	66.42%	51.00%
3.	SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	India	Subsidiary of Shriram Pistons & Rings Limited	62.00%	-

2.A.1.4 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification:

The Group classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it is expected to be settled in normal operating cycle;
- it holds the liability for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

The Group's normal operating cycle is twelve months.

2.A.2 Significant accounting judgements, estimates and assumptions.

The preparation of the financial statements is in conformity with Indian Accounting Standards (Ind AS) and requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported income and expenses during the year. The management believes that the estimates used in

Notes to the consolidated financial statements for the year ended 31 March 2024

preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise information, about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes.

- **Deferred tax:** Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.
- **Impairment of financial assets and non-financial assets and goodwill:** The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained. The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are 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 asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

- **Useful lives of depreciable/amortisable assets:** value of property, plant and equipment and intangibles at the end of each reporting period. Factors such as changes in the expected level of usage could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and may have an impact on the profit of the future years.
- **Estimation of defined benefit obligation:** Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the

employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- **Estimation for expected credit losses of trade receivables:** Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management believes that there is uncertainty of collections. Provision is recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.
- **Incremental rate of borrowing for lease accounting:** The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

2.A.3.1 Property, plant and equipment

Property, plant and equipment held for use in production or supply of goods and services, or for administrative purpose, are stated at historic cost, net of accumulated depreciation (net of input tax credits availed) including taxes and other incidental expenses related to acquisition, installation and borrowing cost on loan taken for the acquisition of qualifying assets upto the date the assets are ready for their intended use. Subsequent measurement of property, plant and equipment is done in accordance with cost model.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

Subsequent expenditure can be capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Group.

An item of property, plant and equipment is derecognised on disposal, or when no future economic benefit are expected to arise from the continued use of assets. Any gain and loss arising on the disposal of or retirement is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the statement of profit and loss.

2.A.3.2 Intangible assets

Intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the entity and the cost of the asset can be reliably measured.

Intangible assets held for use in production or supply of goods and services, or for administrative purpose, are stated at are stated at historic cost, net of accumulated depreciation (net of input tax credits availed) including taxes and other incidental expenses related to acquisition, installation and borrowing cost on loan taken for the acquisition of qualifying assets upto the date the assets are ready for their intended use.

An item of intangible asset is derecognised on disposal, or when no future economic benefit are expected to arise from the continued use of assets. Any gain and loss arising on the disposal of or retirement is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the statement of profit and loss. Subsequent measurement of intangible assets is done in accordance with cost model.

2.A.3.3 Capital work-in-progress

Capital work-in-progress represents expenditure incurred in respect of capital projects under development and are carried at cost. Cost includes related acquisition expenses, development/ construction costs,

Notes to the consolidated financial statements for the year ended 31 March 2024

borrowing costs and other direct expenditure. Subsequent measurement of capital work-in-progress is done in accordance with cost model.

2.A.3.4 Leases

Lessee Accounting

1. Lease liability is recognised at the commencement of lease and measured at an amount equal to the present value of minimum lease payments during the lease term that are not yet paid.
2. Right of use asset is recognised at the commencement of lease and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of the restoration costs and any initial direct costs incurred by the lessee. Right-of-use assets are amortized on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets and impairment loss. Subsequent measurement of right-of-use assets is done in accordance with cost model.
3. The lease liability is measured in subsequent periods using the effective interest rate method.
4. Recognition and measurement exemption is availed for low-value assets and short-term leases. Assets of low value include IT equipment or office furniture. No monetary threshold has been defined for low-value assets. Short-term leases are defined as leases with a lease term of 12 months or less.

2.A.4 Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

The Group is following written down value method in case of Furniture, fixtures and office equipment and straight line method in respect of other assets.

Depreciation on tangible property, plant and equipment has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the certain categories of assets, in whose case the life of the assets has been assessed based on technical advice, taking into account the nature, the estimated usage, operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance practices etc. Following are the estimated useful lives of various category of assets used:

Factory building	-	thirty years
Office building	-	sixty years
Factory wall fencing	-	five years
Plant and equipment		
- General	-	eight - twenty years
- Electric installation / equipment	-	five- fifteen years
- Plant and equipment- welding	-	fifteen years
- Spares	-	five years
- Plastic crates	-	fifteen years
- Moulds	-	six years
- Dies - three years		
Road	-	twenty years
Bore well	-	fifteen years
Vehicle	-	five - eight years
Furniture and fixture / Office equipment	-	five - ten years
Computer	-	three years

Notes to the consolidated financial statements for the year ended 31 March 2024

All intangible assets are amortised on straight-line method over their estimated useful life as under.

Computer software	-	three years
Product design	-	three years
Enabling assets	-	fifteen years
Intellectual property	-	ten years
Trademarks acquired on acquisition	-	ten years
Customer contracts acquired on acquisition	-	ten years
Non-compete agreements acquired on acquisition	-	nine years
Customer order book acquired on acquisition	-	one and a half years
Customer relationships acquired on acquisition	-	ten years

Assets costing up to Rs. 5,000 are fully depreciated in the year of acquisition.

Depreciation on assets acquired/sold/discarded during the year is charged on pro-rata basis except for furniture, fixtures and equipments where full year's depreciation is computed in the year of acquisition and no depreciation is provided in the year of sale.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and the effect of any changes in estimate is accounted for on a prospective basis.

2.A.5 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

Financial assets

All regular way purchases or sales of financial assets are accounted for at trade date basis. Regular way purchases or sales are purchase or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost

i) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

i) The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

Financial asset which are not classified in any of the above categories are subsequently measured at fair value through profit or loss (FVTPL).

Notes to the consolidated financial statements for the year ended 31 March 2024

Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. The average credit period is 20-55 days.

Investments

Investments in mutual funds and investment in equity instrument are measured at fair value through profit or loss.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost or at fair value through profit or loss (FVTPL). For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Fair value is determined in the manner described in note 42.

2.A.6 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.

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 the statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

(i) Financial assets or financial liabilities, at fair value through profit or loss.

This category has derivative financial assets or liabilities which are not designated as hedges. Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through the statement of profit and loss and the resulting exchange gains or losses are included in the statement of profit and loss. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance sheet date.

(ii) Hedge accounting

The Group designates the derivatives as hedge of foreign exchange risk associated with the cash flows of highly probable forecast transaction.

The Group documents at the inception of the hedging transaction the economic relationship between hedging instrument and hedge items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

When forward contracts are used to hedge forecast transactions, the Group generally designates related forward contract related as the hedging instruments.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognised in other comprehensive income and accumulated under the heading of cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to the statement of profit and loss in the periods when the hedged item affects profit or loss, in the same line

Notes to the consolidated financial statements for the year ended 31 March 2024

as the recognised hedged item. For the same, Group matches critical terms of hedge item and hedge instruments.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction and cross currency interest rate swap transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction and cross currency interest rate swap transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

Fair value is determined in the manner described in note 42.

2.A.7 Employee benefits

Retirement benefit costs and termination benefits:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Contribution towards Provident Fund and Superannuation Fund is paid as per the statutory provisions/ Holding Company's scheme. These benefits are charged to the statement of profit and loss of the year when they become due. For the provident fund trust administrated by the trustees, the Holding Company is liable to meet the shortfall, if any, in payment of interest at the rates declared by Central Government and such liability is recognised in the year of shortfall. For defined post-employment employee benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

i) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

ii) Net interest expense or income; and

iii) Re-measurement.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Leave availment / encashment benefit is provided as per Group's scheme. Employees are entitled to accumulate leaves subject to certain limit as per Group's scheme.

Liabilities for compensated absence that are not expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service, are measured at the present value of expected future payment to be made in respect of service provided by employees up to the end of reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of reporting period. Remeasurement as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss.

Notes to the consolidated financial statements for the year ended 31 March 2024

Employee benefits in the form of long service awards is provided as per Holding Company scheme. The liability is determined through actuarial valuation using projected unit credit method.

2.A.8 Taxes on income

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.A.9 Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

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

2.A.10 Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.

When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.

2.A.11 Business Combination and goodwill

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. Acquisition related costs are recognised in profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except certain assets and liabilities that are required to be measured as per the applicable standard. Purchase consideration in excess of the Holding Company's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognised as goodwill. Excess of the Holding Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognised, after reassessment of fair value of net assets acquired, in the Capital Reserve. The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets.

Notes to the consolidated financial statements for the year ended 31 March 2024

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

2.A.12 Revenue recognition

Sale of products/services

The group recognize revenue from the sale of products or services upon transfer of control to customers. Revenue is measured at the amount of consideration which the Group expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example, taxes and duties collected on behalf of the government). A receivable is recognized upon satisfaction of performance obligations as per the contracts and is measured at transaction price.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Notes to the consolidated financial statements for the year ended 31 March 2024

Export benefits

Export benefit entitlements is in the nature of income, and are recognised when the right to receive benefit is established in respect of the exports made and the realisation is reasonably certain.

2.A.13 Inventories

Inventories are valued at lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition is accounted for as follows:

i) **Raw materials, loose tools and store and spares :** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Raw materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

ii) **Work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

iii) **Finished goods:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

iv) **Stock-in-trade:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(B) Other accounting policy information

2.B.1 Other income

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to Group and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the interest rate as applicable.

Miscellaneous income

Other revenues are recognised on accrual basis, except where there are uncertainties in realisation/ determination of income and in such case income is recognised on realisation / certainty.

2.B.2 Foreign currency transactions and translations

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing on or closely approximating to the date of transaction.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except exchange differences on transactions entered into in order to hedge certain foreign currency risks.

For foreign currency denominated financial assets measured at amortised cost or FVTPL, the exchange differences are recognised in statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.

2.B.3 Research and development

Revenue expenditure on research and development, inclusive of dies for new model development, is charged as expense in the year in which incurred. Capital expenditure is included in Property, plant, equipment and intangible assets.

Notes to the consolidated financial statements for the year ended 31 March 2024

2.B.4 Borrowing costs

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 the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

2.B.5 Earnings per share

Basic earnings per share is calculated by dividing profit or loss attributable to the owners of the Group by weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split and any new equity issue.

For the purpose of calculating diluted earnings per share, profit or loss attributable to the owners of the Group and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.B.6 Impairment of assets

The carrying values of Property, plant and equipment, right of use assets and intangible assets or cash generating units are reviewed at each Balance sheet date for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the statement of profit and loss.

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

2.B.7 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. The Group is primarily engaged in the manufacturing and assembling of automotive components for the automotive industry. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risk and returns hence CODM reviews as one balance sheet component.

(C) Recent accounting pronouncements which are not yet effective

As on the date of these consolidated financial statements, Ministry of Corporate Affairs ('MCA') has not issued any standards/amendments to accounting standards which are effective from 1 April 2024.

Notes to the consolidated financial statements for the year ended 31 March 2024

3. Property, plant & equipment

Rs. million

Particulars	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Dies	Total
As at 31 March 2023							
Gross carrying amount							
Opening gross carrying amount	1,632.06	9,530.36	60.35	126.18	201.95	159.78	11,710.68
Additions	51.17	302.44	6.07	47.54	36.09	41.56	484.87
Addition pursuant to business combination (refer note 48 b)	13.85	23.97	1.51	0.07	3.37	-	42.77
Disposals	(1.99)	(9.97)	(5.97)	(128.09)	(17.31)	(16.96)	(180.29)
Closing gross carrying amount as at 31 March 2023	**1,695.09**	**9,846.80**	**61.96**	**45.70**	**224.10**	**184.38**	**12,058.03**
Accumulated depreciation							
Opening accumulated depreciation	422.91	5,121.35	48.51	86.80	154.79	112.97	5,947.33
Depreciation charged during the year	66.85	681.39	6.30	20.35	32.22	22.52	829.63
Disposals	(1.52)	(6.93)	(5.33)	(107.15)	(14.61)	(16.05)	(151.59)
Closing accumulated depreciation as at 31 March 2023	**488.24**	**5,795.81**	**49.48**	**-**	**172.40**	**119.44**	**6,625.37**
Net carrying amount as at 31 March 2023	**1,206.85**	**4,050.99**	**12.48**	**45.70**	**51.70**	**64.94**	**5,432.66**
As at 31 March 2024							
Gross carrying amount							
Opening gross carrying amount	1,695.09	9,846.80	61.96	45.70	224.10	184.38	12,058.03
Additions	161.18	705.20	12.14	0.74	79.20	39.97	998.43
Addition pursuant to business combination (refer note 48 a)	325.39	892.49	1.87	4.29	4.60	-	1,228.64
Disposals	(0.44)	(34.32)	(4.90)	(9.59)	(25.18)	(10.10)	(84.53)
Closing gross carrying amount as at 31 March 2024	**2,181.22**	**11,410.17**	**71.07**	**41.14**	**282.72**	**214.25**	**14,200.57**
Accumulated depreciation							
Opening accumulated depreciation	488.24	5,795.81	49.48	-	172.40	119.44	6,625.37
Depreciation charged during the year	77.21	670.86	10.61	10.22	53.13	29.66	851.69
Disposals	(0.20)	(24.76)	(4.43)	(7.00)	(21.89)	(9.59)	(67.87)
Closing accumulated depreciation as at 31 March 2024	**565.25**	**6,441.91**	**55.66**	**3.22**	**203.64**	**139.51**	**7,409.19**
Net carrying amount as at 31 March 2024	**1,615.97**	**4,968.26**	**15.41**	**37.92**	**79.08**	**74.76**	**6,791.38**

Notes:

i) The Group has not revalued property, plant and equipment during the year.

ii) The above assets are pledged as security against borrowings, refer note no. 17 and 21.

Notes to the consolidated financial statements for the year ended 31 March 2024

4. Capital-work-in progress (CWIP)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	46.71	46.94
Additions during the year	1,186.13	407.60
Addition pursuant to business combination (refer note 48 a)	12.16	-
Capitalised / adjusted during the year	(930.46)	(407.83)
Balance at the end of the year	**314.54**	**46.71**

Note:

1. The capital-work-in-progress mainly consist of property, plant and equipment under construction / installation and which are not ready for use at year end.

2. There are no such projects under capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan as of 31 March 2024 and 31 March 2023.

Capital-work-in progress ageing schedule is as under:

Rs. million

Particulars	As on 31 March 2024				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	292.17	20.87	-	-	313.04
Projects temporarily suspended	-	1.50	-	-	1.50

Rs. million

Particulars	As on 31 March 2023				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	46.11	0.31	0.29	-	46.71
Projects temporarily suspended	-	-	-	-	-

Notes:

a) The above assets are pledged as security against borrowings, refer note no. 17 and 21.

b) *The projects in progress as on 31 March 2024 will be completed within 1 year.

5. Goodwill and other intangible assets

Rs. million

Particulars	Goodwill	Other intangible assets									
		Computer software	Product design and development	Enabling assets	Customer contracts	Customer relationships	Trademarks	Technology	Non-compete	Sub total	Grand Total
As at 31 March 2023											
Gross carrying amount											
Opening gross carrying amount	14.85	88.62	72.47	85.59	114.36	-	103.78	-	-	464.82	479.67
Additions	-	7.11	19.80	-	-	-	-	2.12	-	29.03	29.03
Addition pursuant to business combination (refer note 48 b)	396.90	-	-	-	-	-	-	522.08	178.13	700.21	1,097.11
Disposals	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount as at 31 March 2023	**411.75**	**95.73**	**92.27**	**85.59**	**114.36**	**-**	**103.78**	**524.20**	**178.13**	**1,194.06**	**1,605.81**

Notes to the consolidated financial statements for the year ended 31 March 2024

Rs. million

Particulars	Goodwill	Other intangible assets									
		Computer software	Product design and development	Enabling assets	Customer contracts	Customer relationships	Trademarks	Technology	Non-compete	Sub total	Grand Total
Accumulated amortization											
Opening accumulated depreciation	-	73.19	65.38	15.61	45.75	-	41.51	-	-	241.44	241.44
Depreciation / amortisation charged during the year	-	2.92	6.31	5.57	11.44	-	10.38	7.21	2.81	46.64	46.64
Disposals	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at 31 March 2023	**-**	**76.11**	**71.69**	**21.18**	**57.19**	**-**	**51.89**	**7.21**	**2.81**	**288.08**	**288.08**
Net carrying amount as at 31 March 2023	**411.75**	**19.62**	**20.58**	**64.41**	**57.17**	**-**	**51.89**	**516.99**	**175.32**	**905.98**	**1,317.73**
As at 31 March 2024											
Gross carrying amount											
Opening gross carrying amount	411.75	95.73	92.27	85.59	114.36	-	103.78	524.20	178.13	1,194.06	1,605.81
Additions	-	5.56	39.35	0.85	-	-	-	-	-	45.76	45.76
Addition pursuant to business combination (refer note 48 a)	69.53	5.28	-	-	44.60	184.50	-	-	32.70	267.08	336.61
Disposals / adjustments	(15.12)	(2.41)	-	-	-	-	-	-	-	(2.41)	(17.53)
Closing gross carrying amount as at 31 March 2024	**466.16**	**104.16**	**131.62**	**86.44**	**158.96**	**184.50**	**103.78**	**524.20**	**210.83**	**1,504.49**	**1,970.65**
Accumulated amortization											
Opening accumulated depreciation	-	76.11	71.69	21.18	57.19	-	51.89	7.21	2.81	288.08	288.08
Depreciation / amortisation charged during the year	-	5.08	19.30	5.59	25.10	8.33	10.38	45.42	27.19	146.39	146.39
Disposals	-	(2.41)	-	-	-	-	-	-	-	(2.41)	(2.41)
Closing accumulated depreciation as at 31 March 2024	**-**	**78.78**	**90.99**	**26.77**	**82.29**	**8.33**	**62.27**	**52.63**	**30.00**	**432.06**	**432.06**
Net carrying amount as at 31 March 2024	**466.16**	**25.38**	**40.63**	**59.67**	**76.67**	**176.17**	**41.51**	**471.57**	**180.83**	**1,072.43**	**1,538.59**

The Group has not revalued its other intangible assets during the year.

a) Impairment testing of goodwill

The Group performs test for goodwill impairment at least annually on 31 March or if indicators of impairment arise, such as the effects of obsolescence, demand, competition and other economic factors or on occurrence of an event or change in circumstances that would more likely than not reduce recoverable value below its carrying amount. When determining the value in use, we utilize various assumptions, including operating results, business plans and projections of future cash flows.

For the purpose of impairment testing, goodwill is allocated to a cash generating unit, representing the lowest level with the Group at which goodwill is monitored for internal management purposes and which is not higher that the Company's operating segment. During the year, the management has reviewed the carrying value of its goodwill against the recoverable value of these cash generating units, using internal and external information available. The management believes that any reasonable possible change in the key assumptions would not cause the cash generating units' carrying amount ot exceed its recoverable amount.

Notes to the consolidated financial statements for the year ended 31 March 2024

b) Changes in the net carrying amount of goodwill is summarised as below:

Rs. million

	As at 31 March 2024	As at 31 March 2023
Opening balance	411.75	14.85
Additions (refer note 48)	69.53	396.90
Deletions (refer note 41)	(15.12)	-
Closing balance	**466.16**	**411.75**

For the purpose of impairment testing, goodwill is allocated to a cash generating unit, representing the lowest level with the Group at which goodwill is monitored for internal management purposes and which is not higher than the Group's operating segment.

c) The carrying amount of goodwill was allocated to the cash generating units as follows:

Rs. million

	As at 31 March 2024	As at 31 March 2023
SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	69.53	-
SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	381.78	396.90
Others	14.85	14.85
	466.16	**411.75**

d) Impairment

An impairment test was carried out as at the balance sheet date, details of the test are as outlined below:

Rs. million

	As at 31 March 2024	As at 31 March 2023
Discount rate	14.1% - 20.7%	20.50%
Growth rate	4.00%	4.00%
Number of years for which cash flows were considered*	5-6	5
Test result	**No impairment**	**No impairment**

*The management believes that the cash generating units have ability to forecast cash flows over a longer period.

Growth rates

The growth rates used are in line with the growth rate of the industry in which the entities operates and are consistent with internal / external sources of information.

Discount rates

The discount rates takes into consideration market risk and specific risk factors of the cash generating unit. The cash flow projections are based on the forecasts made by the management.

Sensitivity

The management believes that any reasonable possible changes in the key assumptions would not cause the cash generating unit's carrying amount to exceed its recoverable amount.

Notes to the consolidated financial statements for the year ended 31 March 2024

6. Right of use assets

Rs. million

Particulars	Right of use assets (refer note 37)			
	Land	Building	Motor car	Total
As at 31 March 2023				
Gross carrying amount				
Opening gross carrying amount	688.78	386.73	-	1,075.51
Additions	280.77	66.96	34.38	382.11
Addition pursuant to business combination (refer note 48 b)	2.69	28.75	-	31.44
Disposals	(259.74)	-	-	(259.74)
Closing gross carrying amount as at 31 March 2023	**712.50**	**482.44**	**34.38**	**1,229.32**
Accumulated amortization				
Opening accumulated depreciation	18.49	168.36	-	186.85
Depreciation / amortisation charged during the year	8.48	60.91	1.46	70.85
Closing accumulated depreciation as at 31 March 2023	**26.97**	**229.27**	**1.46**	**257.70**
Net carrying amount as at 31 March 2023	**685.53**	**253.17**	**32.92**	**971.62**
As at 31 March 2024				
Gross carrying amount				
Opening gross carrying amount	712.50	482.44	34.38	1,229.32
Additions	-	24.12	22.10	46.22
Addition pursuant to business combination (refer note 48 a)	74.99	-	-	74.99
Disposals	(1.92)	(16.63)	-	(18.55)
Closing gross carrying amount as at 31 March 2024	**785.57**	**489.93**	**56.48**	**1,331.98**
Accumulated amortization				
Opening accumulated depreciation	26.97	229.27	1.46	257.70
Depreciation / amortisation charged during the year	9.91	60.02	9.06	78.99
Disposals	-	(14.45)	-	(14.45)
Closing accumulated depreciation as at 31 March 2024	**36.88**	**274.84**	**10.52**	**322.24**
Net carrying amount as at 31 March 2024	**748.69**	**215.09**	**45.96**	**1,009.74**

Note: The right of use assets (land) of Group is mortgaged as security against borrowings, refer note no. 17 and 21.

7. Investments - Non-current

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Rs. million	No. of shares	Rs. million
Non-current investments (Unquoted)				
Investment carried at Fair value through statement of Profit or Loss				
3,636,364 (previous year: 31 March 2023: 3,636,364) shares of Rs. 10 each fully paid up in M/s Lalganj Power Private Limited	3,636,364	48.00	3,636,364	48.00
	3,636,364	**48.00**	**3,636,364**	**48.00**
Aggregate book value of unquoted investments		48.00		48.00
Aggregate value of impairment in value of investments		-		-

Notes to the consolidated financial statements for the year ended 31 March 2024

8. Investments - current (Unquoted)

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Rs. million	No. of shares	Rs. million
Carried at fair value through Statement of Profit and loss				
Investment in Mutual fund (Liquid fund) Units of Face value of Rs 1000 each				
- nil units (previous year: 126,846) Axis Overnight Fund Direct Growth		-		150.38
- nil units (previous year: 3,855) SBI Overnight Fund Direct growth		-		14.07
- 18,656 units (previous year: 3,433) SBI Liquid Fund Direct Growth		70.51		12.10
- nil units (previous year: 1,740) UTI Overnight Fund -Direct Plan - Growth		-		5.34
- 1,15,935 units (previous year: 31,833) UTI Liquid Fund - Direct Plan Growth		458.86		117.44
- 102,635 units (previous year: 97,111) AXIS Liquid Fund - Direct Growth		275.44		242.86
- 98,579 units (previous year: 59,218) HSBC liquid fund direct Growth		237.19		132.78
- 25,978 units (previous year: nil) Sundaram Liquid Fund - Direct plan - LFZG		55.39		-
		1,097.39		**674.97**
Aggregate book value of unquoted investments		1,092.15		673.01
Aggregate market value of unquoted investments		1,097.39		674.97
Aggregate value of impairment in value of investments		-		-

9. Other financial assets

(At amortised cost excluding derivative instrument)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Bank deposit more than 12 months	1,350.86	721.52
Security deposits	209.70	195.48
Derivative instrument (refer note 42)	20.02	19.90
Call option asset* (refer note 48 a)	41.00	-
Deposit with banks held as margin money	-	50.44
	1,621.58	**987.34**
Current:		
Security deposits	5.87	3.75
Interest accrued on deposits	367.30	192.20
Derivative instrument (refer note 42)	7.95	5.48
Deposit with banks held as margin money	69.53	-
	450.65	**201.43**

Notes to the consolidated financial statements for the year ended 31 March 2024

10. Tax assets/ (liabilities) net

a) Current tax liabilities (net)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Advance income tax	1,439.84	1,008.92
less: provision for income tax	(1,523.83)	(1,045.88)
Net	**(83.91)**	**(36.96)**

b) Current tax assets (net)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Advance income tax	-	0.90
less: provision for income tax	-	-
Net	**-**	**0.90**

11. Other assets

(Unsecured, considered good unless stated otherwise)

Rs. million

		As at 31 March 2024	As at 31 March 2023
Non-current:			
i)	Capital advances	242.19	64.09
ii)	Advances other than capital advances recoverable in cash or in kind or for value to be received		
	Unsecured, considered good	-	2.11
	Unsecured, considered doubtful	-	-
		-	**2.11**
iii)	Export incentive receivable		
	Unsecured, considered good	9.68	13.67
	Unsecured, considered doubtful	4.66	3.57
		14.34	17.24
	Provision for doubtful advances	(4.66)	(3.57)
		9.68	**13.67**
iv)	Balance with government authorities	14.64	-
v)	Prepaid expenses	15.58	10.99
vi)	Other assets		
	Unsecured, considered good*	182.53	182.41
	Unsecured, considered doubtful	-	-
		464.62	**273.27**

*Other assets - non current, represents paid under protest to government authorities. Also, it includes Rs. 0.22 million (previous year: nil) of surplus in gratuity contribution of subsidiary.

Notes to the consolidated financial statements for the year ended 31 March 2024

Rs. million

	As at 31 March 2024	As at 31 March 2023
Current:		
i) Advances other than capital advances recoverable in cash or in kind or for value to be received		
Unsecured, considered good	141.94	118.88
Unsecured, considered doubtful	15.65	14.60
	157.59	133.48
Provision for doubtful advances	(15.72)	(14.60)
	141.87	**118.88**
ii) Export incentive receivable		
Unsecured, considered good	13.84	22.61
Unsecured, considered doubtful	0.24	0.72
	14.08	23.33
Provision for doubtful advances	(0.24)	(0.72)
	13.84	**22.61**
iii) Balance with government authorities	182.78	77.87
iv) Prepaid expenses	56.22	43.61
v) Other assets		
Unsecured, considered good*	335.12	77.62
Unsecured, considered doubtful	3.83	3.83
	338.95	81.45
Provision for doubtful assets	(3.83)	(3.83)
	335.12	**77.62**
	729.83	**340.59**

*Other assets majorly includes Rs. 271.83 million (previous year Rs. 51.17 million) of surplus in Shriram Pistons & Rings Limited Gratuity Fund Trust.

12. Inventories

(valued at lower of cost or net realisable value)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Raw material and components (includes in transit Rs. 49.70 million (previous year: Rs. 29.06 million))	1,016.40	727.42
Work-in-progress (includes in transit Rs. 4.51 million (previous year: Rs. 8.09 million))	991.17	1,000.67
Finished goods (includes in transit Rs. 75.38 million (previous year: Rs. 75.02 million))	1,498.15	1,284.73
Stock- in - trade (includes in transit Rs. 2.04 million (previous year: Rs.1.97 million))	29.61	44.61
Stores and spares (includes in transit Rs. 38.81 million (previous year: Rs 0.88 million))	329.70	293.75
Loose tools	45.49	37.66
	3,910.52	**3,388.84**

Notes:

i) The inventories are hypothecated as security against working capital loans from banks, refer note no 21.

ii) The value of inventories above is net off of write down of Rs. 151.00 million (previous year Rs. 114.96 million).

Notes to the consolidated financial statements for the year ended 31 March 2024

13. Trade receivables

Rs. million

	As at 31 March 2024	As at 31 March 2023
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured*	4,760.55	3,965.90
Receivable which have significant increase in credit risk	36.54	31.33
Receivable credit impaired	0.88	0.88
	4,797.97	3,998.11
Less: Allowances for receivables which have significant increase in credit risk/credit impaired	(37.42)	(32.21)
	4,760.55	**3,965.90**

Notes:

i) The trade receivables are pledged as security against working capital loans from banks, refer note no 21.

ii) *No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member

iii) There are no trade receivables due from any related party.

Trade receivable ageing as on 31 March 2024 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	-	3,961.22	763.59	25.32	10.42	-	-	**4,760.55**
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	4.70	2.00	11.24	3.91	14.69	**36.54**
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-	
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	0.88	**0.88**
Total	**-**	**3,961.22**	**768.29**	**27.32**	**21.66**	**3.91**	**15.57**	**4,797.97**

Notes to the consolidated financial statements for the year ended 31 March 2024

Trade receivable ageing as on 31 March 2023 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	-	3,511.07	433.06	21.77	-	-	-	**3,965.90**
(ii) Undisputed trade Receivables – which have significant increase in credit risk	-	-	4.41	4.31	6.02	3.38	13.21	**31.33**
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	**-**
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-	**-**
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	0.88	**0.88**
	-	**3,511.07**	**437.47**	**26.08**	**6.02**	**3.38**	**14.09**	**3,998.11**

14. Cash and cash equivalents and other bank balances

Rs. million

	As at 31 March 2024	As at 31 March 2023
i) Cash and cash equivalents		
Cash on hand	0.53	0.43
Balances with banks		
- Deposits with banks, with original maturity less than 3 months	280.00	-
- current accounts	254.37	304.72
	534.90	**305.15**
ii) Other bank balances		
- Unclaimed dividend account	1.24	0.53
- Unspent CSR account	2.62	5.50
- Deposits with banks , with original maturity more than 3 month but less than 12 months	7,122.03	5,842.34
- Deposits with banks held as margin money*	958.93	315.40
	8,084.82	**6,163.77**
	8,619.72	**6,468.92**

* Margin money is deposited with bank majorly towards export packing credit and overdraft facility availed.

Notes to the consolidated financial statements for the year ended 31 March 2024

15. Equity share capital

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Rs. million	No. of shares	Rs. million
52,500,000 (previous year 52,500,000) equity shares of Rs. 10 each		525.00		525.00
3,000,000 (previous year 3,000,000) preference shares of Rs. 100 each		300.00		300.00
		825.00		**825.00**
a. Issued, subscribed and fully paid up shares				
44,049,824 (previous year 22,024,912) equityshares of Rs. 10 each (refer note 53)		440.50		220.25
		440.50		**220.25**

b. Terms/rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to dividend and one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the holding Company after distribution of all preferential amount, in proportion to their shareholding.

c. Reconciliation of numbers of equity shares outstanding at the beginning and at the end of reporting year

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Rs. million	No. of shares	Rs. million
Opening balance	22,024,912	220.25	22,024,912	220.25
Issued during the year (refer note 53)	22,024,912	220.25	-	-
Closing balance	**44,049,824**	**440.50**	**22,024,912**	**220.25**

d. Details of equity shareholders holding more than 5% shares in the Holding Company

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% shareholding	No. of shares	% shareholding
Equity shares of Rs. 10 each fully paid				
Riken Corporation	9,384,114	21.30	4,692,057	21.30
KS Kolbenschmidt GmbH	-	-	4,474,974	20.32
Luv D. Shriram and Meenakshi Dass*	6,667,862	15.14	3,333,931	15.14
Meenakshi Dass and Luv D. Shriram *	6,667,862	15.14	3,333,931	15.14
National Insurance Company Limited	2,483,005	5.64	1,384,055	6.28

* Shares held on behalf of Deepak Shriram Family Benefit Trust.

Notes to the consolidated financial statements for the year ended 31 March 2024

e) Details of Shares held by Promoters in Holding Company at the end of the year

Name of promotor	As at 31 March 2024			As at 31 March 2023		
	No. of shares#	% shareholding	% Change during the year	No. of shares	% shareholding	% Change during the year
Meenakshi Dass & Luv D. Shriram*	6,667,862	15.14	-	3,333,931	15.14	-
Luv D. Shriram & Meenakshi Dass*	6,667,862	15.14	-	3,333,931	15.14	-
Meenakshi Dass	1,669,440	3.79	-	834,720	3.79	-
Nandishi Shriram	1,730	0.00***	-	865	0.00***	-
Luv D. Shriram and Kush D. Shriram**	4	0.00***	-	2	0.00***	-
Luv D. Shriram	10,900	0.02	-	5,450	0.02	-
Sarva Commercial Pvt. Ltd.	2,133,160	4.84	-	1,066,580	4.84	-
Sera Com Pvt. Ltd	1,900,794	4.32	-	950,397	4.32	-
Manisha Commercial Pvt. Ltd.	1,335,958	3.03	-	667,979	3.03	-
Shabnam Commercial Pvt. Ltd.	206,394	0.47	-	103,197	0.47	-
Kush D. Shriram	2	0.00***	-	1	0.00***	-

#Shareholding % does not change during the year except the increase in no. of shares held due to the issuance of bonus shares by the Holding Company.

* Shares held on behalf of Deepak Shriram Family Benefit Trust.

** Shares held on behalf of NAK Benefit Trust.

*** Rounded off to zero.

f) i) Aggregate number and class of shares allotted as fully paid up by way of bonus shares during the period of five years immediately preceding 31 March 2024:

	31 March 2024 No. of shares	31 March 2023 No. of shares	31 March 2022 No. of shares	31 March 2021 No. of shares	31 March 2020 No. of shares
Equity shares alloted fully paid up under bonus issue	22,024,912*	-	-	-	-

ii) Aggregate number of shares bought back during the period of five years immediately preceding 31 March 2024:

	31 March 2024 No. of shares	31 March 2023 No. of shares	31 March 2022 No. of shares	31 March 2021 No. of shares	31 March 2020 No. of shares
Equity shares fully paid up buy back	-	-	350,000**	-	-

iii) There are no shares allotted as fully paid up pursuant to contracts without payment being received in cash during the period of five years immediately preceding 31 March 2024.

*The Board pursuant to shareholder's approval in the annual general meeting held on 06 July 2023, allotted 2,20,24,912 equity shares as bonus share in the ratio of 1:1.

**During the year ended 31 March 2022, the Holding Company has concluded the buyback of 3,50,000 equity shares (at a price of Rs 1020/- per equity share) as approved by the Board of Directors on 30 July 2021. This has resulted in a total cash outflow of Rs 449.7 million (including tax on buyback of Rs 82.4 million & transaction

Notes to the consolidated financial statements for the year ended 31 March 2024

cost of Rs 10.3 million). In line with the requirement of the Companies Act 2013, an amount of Rs 446.2 million has been utilized from retained earnings. Further, capital redemption reserve of Rs 3.5 million (representing the nominal value of the shares bought back) has been created as an apportionment from General reserve. Consequent to such buyback, the paid-up equity share capital has reduced by Rs 3.5 million.

g) The Board of directors of the Holding Company, in its meeting of 13 May 2024, has proposed final dividend of Rs 5/-per equity share (face value of Rs. 10 per equity share) to equity shareholders for the year ended 31 March 2024. This dividend together with the interim dividend of Rs.5/- per equity share, aggregating total dividend to Rs. 10/- per equity share for the financial year 2023-24. The final dividend is subject to the approval of shareholders in Annual General Meeting of the Holding Company and same has not been recognised as liability in financial statements for the year ended 31 March 2024.

h) The Board of directors of the Holding Company, in its meeting of 08 May 2023, has proposed final special "Golden Jubilee" dividend of Rs.5/-per equity share (face value of Rs. 10 per equity share) to equity shareholders for the year ended 31 March 2023. This dividend together with the interim dividend of Rs.10/- per equity share, aggregating total dividend to Rs. 15/- per equity share for the financial year 2022-23 which was subsequently approved by the shareholders in the Annual General Meeting held on 04 July 2023 and paid thereof.

16. Other equity

Particulars	Reserves and surplus						Items of other comprehensive income	Equity component of compound financial instrument	Total	Non-Controlling interest
	Preference share redemption reserve	Capital redemption reserve	Revaluation reserve	Retained earnings	General reserve	Sub Total	Effective portion of cash flow hedge reserve			
Balance as at 31 March 2022	**388.58**	**3.50**	**97.29**	**1,300.00**	**10,550.72**	**12,340.09**	**(10.05)**	**-**	**12,330.04**	**-**
Profit for the year	-	-	-	2,934.58	-	2,934.58	-	-	2,934.58	4.20
Other comprehensive income for the year	-	-	-	87.68	-	87.68	10.38	-	98.06	-
Reversal on disposal of revalued assets	-	-	(0.02)	-	-	(0.02)	-	-	(0.02)	-
Dividends	-	-	-	(308.35)	-	(308.35)	-	-	(308.35)	-
Non-controlling interest on business combination during the year (refer note 48 b)	-	-	-	-	-	-	-	-	-	445.61
Transfer to general reserve	-	-	-	(2,713.91)	2,713.91	-	-	-	-	
Balance as at 31 March 2023	**388.58**	**3.50**	**97.27**	**1,300.00**	**13,264.63**	**15,053.98**	**0.33**	**-**	**15,054.31**	**449.81**
Profit for the year	-	-	-	4,425.55	-	4,425.55	-	-	4,425.55	(38.91)
Used for issuance of bonus shares	(220.25)	-	-	-		(220.25)	-	-	(220.25)	
Other comprehensive income for the year	-	-	-	67.03	-	67.03	(1.62)	-	65.41	(0.27)
Reversal on disposal of revalued assets	-	-	(0.02)	-	-	(0.02)	-	-	(0.02)	-
Dividends (refer note 15 h)	-	-	-	(330.37)	-	(330.37)	-	-	(330.37)	-
Non-controlling interest on business combination during the year (refer note 48 a)	-	-	-	-	-	-	-	-	-	413.80
Change in ownership interest (refer note 51)	-	-	-	(124.37)	-	(124.37)	-	-	(124.37)	124.37
Equity component of compound financial instrument	-	-	-	-	-	-	-	28.72	28.72	-
Put liability recognised (refer note 23)	-	-	-	(82.73)	-	(82.73)	-	-	(82.73)	-
Transfer to general reserve	-	-	-	(3,955.11)	3,955.11	-	-	-	-	-
Balance as at 31 March 2024	**168.33**	**3.50**	**97.25**	**1,300.00**	**17,219.74**	**18,788.81**	**(1.29)**	**28.72**	**18,816.24**	**948.79**

Notes to the consolidated financial statements for the year ended 31 March 2024

Nature and purpose of reserves:

Preference share redemption reserve

The Holding Company issued 10,00,000 nos. of preference shares in financial year 1997-98 of Rs. 100/- each and the same were redeemed during the financial years viz- 2002-03 and 2003-04. Further, the Holding Company issued 28,85,760 nos. of preference shares of Rs. 100/- each in financial year 2019-20 and same were redeemed in the financial year 2019-20. Accordingly, the preference share redemption reserve of Rs. 388.58 million was created. In the financial year 2023-24, Rs. 220.25 million has been used for issuance of bonus share and balance reserve amount is available for the purposes as specified under the provisions of the Companies Act, 2013.

Capital redemption reserve

The Holding Company bought back 3,50,000 equity shares in the financial year 2021-22 and created capital redemption reserve as per the applicable provision of the Companies Act, 2013. The reserve amount is available for the purposes as specified under the provisions of the Companies Act, 2013.

Revaluation reserve

In the Financial year 1995-96, the Holding Company had revalued its existing property, plant and equipment and created a revaluation reserve for the same.

Retained earnings

Retained earnings represents the net profit/(loss) retained by the Group for its core business activities. Also, includes re-measurement gains / (loss) on defined benefit plans.

General reserves

General reserves represents amount appropriated out of retained earnings.

Equity component of compound financial instrument

The Group has accounted equity component basis on difference between fair value of the instrument as a whole and fair value of the liability component as per Ind AS 32. This equity is the residuary interest in assets after deducting liabilities and initial carrying amount of compound instrument. No gain or loss recognised on initial recognition of the component.

Cash flow hedge reserve

Cumulative changes in the fair value of financial instruments designated as effective hedge are recognised in cash flow hedge reserve through OCI (net of taxes). Amounts recognised in the cash flow hedge reserve are reclassified to the statement of profit and loss when the underlying ctransaction occurs.

17. Borrowings

(At amortised cost)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Secured		
Term loans from banks (refer note i and iii below)	2,432.83	1,374.45
Unsecured		
Loans (refer note ii below)	41.00	87.27
Deposits	164.51	360.77
Deposits from directors (refer note 35)	-	15.81
Deposits from related parties (refer note 35)	10.78	28.28
	2,649.12	1,866.58
Less: Current maturities of non-current borrowings (refer note 21)	(403.34)	(180.12)
Less: Current maturities of deposits (refer note 21)	(174.80)	(226.28)
	2,070.98	**1,460.18**

Notes to the consolidated financial statements for the year ended 31 March 2024

i) Term loans from banks of Rs. 1,332.85 million (previous year: Rs. 1,374.45 million) are secured by way of first pari passu charge on all the movable and immovable fixed assets of the Holding Company, present and future.

ii) External commercial borrowings of SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited), step down subsidiary, amounting of Rs. 41.00 million (previous year: Rs. 87.27 million) are unsecured.

iii) Term loans from banks of Rs. 1,100.00 million (previous year: nil) are secured by way of exclusive charge on all current assets and movable and immovable fixed assets of the SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited), present and future. This term loan is further secured by corporate guarantee given by the Holding Company.

Amount outstanding		Repayment period from origination (years)	Installments outstanding		Effective Rate of Interest per annum %	
As at 31 March 2024 (Rs. million)	As at 31 March 2023 (Rs. million)		No.	As at 31 March 2024 Periodicity	As at 31 March 2024	As at 31 March 2023
340.00	400.00	6*	17	Quarterly	8.34	7.30
538.06	623.68	6*	17	Quarterly	8.25	7.18
454.79	350.77	6	19	Quarterly	7.99	7.68
41.00	87.27	8	2	On Maturity	-	-
1,100.00	-	5.41*	18	Quarterly	7.75	-
2,473.83	**1,461.72**					

* The repayment period includes moratorium of 1 year from the date of origination

iv) The long term deposits have been raised by Holding Company under Section 58A of the Companies Act, 1956 and Section 73 to 76 of the Companies Act, 2013 for maturity period of 2 and 3 years.

Amount outstanding		Repayment period from origination (years)	Rate of interest per annum %	
As at 31 March 2024 (Rs. million)	As at 31 March 2023 (Rs. million)		As at 31 March 2024	As at 31 March 2023 Periodicity
-	5.42	2	6.50-9.50	6.00-9.50
175.29	399.44	3		
175.29	**404.86**			

v) Disclosure under Para 44A as set out in IND AS on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

Changes in liabilities arising from financing activities

Rs. million

Particular	Outstanding balance as on 01 April 2023	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2024
Long term borrowing (including current maturities of long term debt)	1,461.72	(276.76)	1,288.87	2,473.83
Deposits (including unclaimed matured deposits)	408.79	(232.08)	-	176.71
Lease liabilities (refer note 37)	342.88	(97.70)	71.55	316.73

Notes to the consolidated financial statements for the year ended 31 March 2024

Rs. million

Particular	Outstanding balance as on 01 April 2022	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2023
Long term borrowing (including current maturities of long term debt)	132.23	1,308.68	20.81	1,461.72
Deposits (including unclaimed matured deposits)	603.58	(194.79)	-	408.79
Lease liabilities (refer note 37)	249.88	(104.95)	197.95	342.88

18. Provisions

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Provision for compensated absences (refer note 34)	306.51	284.92
Provision for gratuity (refer note 34)	13.64	-
Provision for other employee benefits	0.38	2.30
	320.53	**287.22**
Current:		
Provision for compensated absences (refer note 34)	150.86	135.80
Provision for gratuity (refer note 34)	0.40	-
Provision for other employee benefits	1.10	1.81
	152.36	**137.61**

19. Other liabilities

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Security deposits*	19.75	4.40
Others ***	-	0.81
	19.75	**5.21**
Current:		
Security deposits*	111.59	128.91
Revenue received in advance (refer note 24)	121.10	139.62
Statutory dues	340.14	262.53
Others**	90.81	51.02
	663.64	**582.08**

*The security deposits have been received by the Holding Company from customers/vendors in the normal course of business.

**Others includes provision for superannuation contribution and unspent CSR amount.

***Others includes Rs. nil (previous year: Rs. 0.81 million) of deficit in gratuity contribution of subsidiary.

Notes to the consolidated financial statements for the year ended 31 March 2024

20. a) Deferred tax liability (net)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Deferred tax liability		
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	317.19	316.85
Expenses deductible on payment basis	(133.81)	(131.08)
Provision for doubtful debts/advances	(14.26)	(13.78)
Liability recognised on account of business combination (refer note 48)	133.35	81.00
Cash flow hedge	(5.18)	(4.73)
Defined benefit plans	76.18	53.61
	373.47	**301.87**
Deferred tax assets		
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	(0.22)	(0.21)
Unabsorbed depreciation	2.41	0.05
Carryforward business loss	20.71	17.85
Pre-incorporation expenses	2.82	2.82
Provision for doubtful debts/advances	-	1.80
Defined benefit plans	0.03	0.03
	25.75	**22.34**

b) Reconciliation of tax expenses and accounting profit

	As at 31 March 2024		As at 31 March 2023	
	Rs. million	%	Rs. million	%
Profit before tax	5,891.32		3,930.18	
Income tax expenses calculated at current tax rate	1,482.73	25.17%	976.72	24.85%
Add : Effect of expenses that are not deductible in determining taxable profit	21.95	0.37%	14.68	0.37%
Income tax expenses recognised in statement of profit & loss	**1504.68**	**25.54%**	**991.40**	**25.23%**

(c) Changes in deferred tax liabilities (net)

	As at 31 March 2023	Recognised in			As at 31 March 2024
		OCI	Goodwill	Profit / loss	
Items leading to creation of deferred tax liability					
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	316.85	-	-	0.34	317.19
Expenses deductible on payment basis	(131.08)	-	-	(2.73)	(133.81)

Notes to the consolidated financial statements for the year ended 31 March 2024

	As at 31 March 2023	Recognised in			As at 31 March 2024
		OCI	Goodwill	Profit / loss	
Provision for doubtful debts/advances	(13.78)	-	-	(0.48)	(14.26)
Cash flow hedge	(4.73)	(0.45)	-	-	(5.18)
Liability recognised on account of business combination (refer note 48)	81.00	-	69.42	(17.07)	133.35
Defined benefit plans	53.61	22.57	-	-	76.18
Total deferred tax liability	**301.87**	**22.12**	**69.42**	**(19.93)**	**373.47**

	As at 31 March 2022	Recognised in			As at 31 March 2023
		OCI	Goodwill	Profit / Loss	
Items leading to creation of deferred tax liability					
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	330.79	-	-	(13.94)	316.85
Expenses deductible on payment basis	(114.42)	-	-	(16.66)	(131.08)
Provision for doubtful debts/advances	(12.14)	-	-	(1.64)	(13.78)
Unrealised income on mutual fund	0.09	(0.09)	-	-	-
Cash flow hedge	(8.22)	3.49	-	-	(4.73)
Liability recognised on account of business combination	-	-	81.00	-	81.00
Defined benefit plans	24.06	29.55	-	-	53.61
Total deferred tax liability	**220.16**	**33.01**	**81.00**	**(32.18)**	**301.87**

(d) Changes in deferred tax asset (net)

	As at 31 March 2023	Recognised in			As at 31 March 2024
		OCI	Goodwill	Profit / loss	
Items leading to creation of deferred tax assets					
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	(0.21)	-	-	(0.01)	(0.22)
Unabsorbed depreciation	0.05	-	-	2.36	2.41
Carryforward business loss	17.85	-	-	2.86	20.71
Pre-incorporation expenses	2.82	-	-	-	2.82
Provision for doubtful debts/advances	1.80	-	-	(1.80)	-
Defined benefit plans	0.03	-	-	-	0.03
Total deferred tax assets	**22.34**	**-**	**-**	**3.41**	**25.75**

Notes to the consolidated financial statements for the year ended 31 March 2024

	As at 31 March 2022	Recognised in			As at 31 March 2023
		OCI	Goodwill	Profit / Loss	
Items leading to creation of deferred tax assets					
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	-	-	-	(0.21)	(0.21)
Unabsorbed depreciation	-	-	-	0.05	0.05
Carryforward business loss	-	-	-	17.85	17.85
Pre-incorporation expenses	-	-	-	2.82	2.82
Provision for doubtful debts/advances	-	-	-	1.80	1.80
Defined benefit plans	-	0.03	-	-	0.03
Total deferred tax assets	**-**	**0.03**	**-**	**22.31**	**22.34**

21. Short term borrowings

(At amortised cost)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Secured		
Working capital loans from banks repayable on demand*	1,900.02	1,122.08
Current maturities of non-current borrowings (refer note 17)	403.34	180.12
Unsecured		
Current maturities of deposits (refer note 17)	174.80	226.28
	2,478.15	**1,528.48**

* Working capital loans of Rs. 1,050.02 million (previous year: 1,017.08 million) are secured by way of first pari passu charge on inventories and trade receivables of the Holding Company, present and future and second pari passu charge on all the movable and immovable property of the Holding Company, present and future . Further, working capital loans of Rs. 850.00 million (previous year: 105.00 million) is secured by way of lien on the bank deposit of Rs. 850.00 million (previous year: Rs. 250.50 million).

Disclosure under Para 44A as set out in IND AS on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

Changes in liabilities arising from financing activities

Rs. million

Particular	Outstanding balance as on 01 April 2023	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2024
Short-term borrowings	1,122.08	777.94	-	1,900.02

Rs. million

Particular	Outstanding balance as on 01 April 2022	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2023
Short-term borrowings	724.32	397.78	(0.02)	1,122.08

Notes to the consolidated financial statements for the year ended 31 March 2024

22. Trade payables

(At amortised cost)

Rs. million

	As at 31 March 2024	As at 31 March 2023
- Total outstanding dues of micro enterprises and small enterprises	123.48	129.54
- Total outstanding dues of creditors other than micro enterprises and small enterprises	3,436.32	2,785.70
	3,559.80	**2,915.24**

Trade payable includes Rs. 0.10 million (previous year: Rs. 0.16 million) due to related parties (refer note 35)

Trade payables ageing schedule as on 31 March 2024 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding 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	-	104.77	18.71	0.00	-	-	123.48
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	535.62	1,681.87	977.53	73.72	84.63	82.95	3,436.32
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	535.62	**1,786.64**	**996.24**	**73.72**	**84.63**	**82.95**	**3,559.80**

Trade payables ageing schedule as on 31 March 2023 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding 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	-	127.36	2.18	-	-	-	129.54
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	440.39	1,450.70	655.75	144.16	14.04	80.66	2,785.70
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	440.39	**1,578.06**	**657.93**	**144.16**	**14.04**	**80.66**	**2,915.24**

23. Other financial liabilities

(At amortised cost)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:	Rs. million	Rs. million
Capital creditors	-	90.83
Put option liabilities - Derivative instrument* (refer note 48 a)	82.73	-
Employee related payables	2.27	2.95
	85.00	**93.78**

Notes to the consolidated financial statements for the year ended 31 March 2024

Rs. million

	As at 31 March 2024	As at 31 March 2023
Current:		
Interest accrued but not due on borrowings	48.00	60.62
Unclaimed dividends*	1.23	0.53
Unclaimed matured deposits and interest accrued thereon*	1.83	5.11
Capital creditors	308.60	63.72
Derivative instrument (refer note 42)	0.55	-
Payable on account of business acquisition (refer note 41)	-	55.00
Employee related payables	692.80	540.35
	1,053.01	**725.33**

*Not due for transfer to investor education and protection fund

24. Revenue from operations

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Sale of products	30,427.90	25,642.18
Other operating revenues		
- sale of scrap	350.31	350.68
- export benefits*	100.63	95.57
- others	14.41	4.85
	30,893.25	**26,093.28**

*Export benefits covers the following:

Rs. million

	As at 31 March 2024	As at 31 March 2023
Remission of duties and taxes on export products (RoDTEP)	22.13	22.17
Duty draw backs	78.50	73.40
	100.63	**95.57**
Timing of revenue recognition:		
Goods transferred at a point in time	30,893.25	26,093.28

Contract balances

Rs. million

	As at 31 March 2024	As at 31 March 2023
Revenue received in advance (refer note 19)	121.10	139.62

Notes to the consolidated financial statements for the year ended 31 March 2024

Contract liabilities - Revenue received in advance

Rs. million

	As at 31 March 2024	As at 31 March 2023
Opening balance of contract liabilities	139.62	62.27
Less: Amount of revenue recognised against opening contract liabilities	920.01	812.16
Add: Addition in balance of contract liabilities for current year (net of refunds)	901.49	889.51
Closing balance of contract liabilities	**121.10**	**139.62**

The contract liabilities are settled during the normal course of business.

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Rs. million

	As at 31 March 2024	As at 31 March 2023
Revenue from contract with customer as per the contract price	31,360.27	26,138.47
Adjustments made to contract price on account of :-		
Less: Discounts / price adjustments	932.37	496.29
Revenue from contract with customer	**30,427.90**	**25,642.18**

Performance obligation

Information about the Company's performance obligations are summarised below:

Sale of products

Revenue from the sale of products is recognized upon transfer of control to customers.

25. Other income

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Interest income*		
- Bank deposits	647.31	319.12
- Others	13.56	7.73
Net gain on sale/fair valuation of current investment**	49.95	32.25
Gain on sale/disposal of property, plant and equipment / right of use of assets (land)	-	28.35
Foreign exchange gain (net)	112.91	30.69
Other non-operating income	28.98	48.49
	852.71	**466.63**

*Represents income on underlying assets carried at amortised cost

**Includes Rs. 4.20 million (previous year Rs. 1.99 million) on account of fair valuation of investments classified at FVTPL

Notes to the consolidated financial statements for the year ended 31 March 2024

26. Cost of material consumed

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Cost of raw material and components consumed	11,104.37	9,370.58
Cost of packing material consumed	558.95	556.34
	11,663.32	**9,926.92**

27. (Increase) / decrease in inventories of finished goods , work-in-progress and stock-in-trade

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Inventories at the end of the year		
Work-in-progress	991.17	1,000.67
Finished goods	1,498.15	1,284.73
Stock-in-trade	29.61	44.61
	2,518.93	**2,330.01**
Inventories at the beginning of the year		
Work-in-progress	1,000.67	1,079.57
Finished goods	1,284.73	1,278.79
Stock-in-trade	44.61	43.31
	2,330.01	**2,401.67**
Add: Inventories aquired under business combination (refer note 48)		
Work-in-progress	56.70	6.54
Finished goods	70.41	3.67
	127.11	**10.21**
(Increase) / decrease in inventories of finished goods, work-in-progress and stock-in-trade	**(61.81)**	**81.87**

28. Employee benefits expense

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and wages	4,022.74	3,574.35
Contribution to provident and other funds (refer note 34)	311.01	302.08
Staff welfare expenses	261.02	218.70
	4,594.77	**4,095.13**

29. Finance costs

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense on borrowings	266.48	161.20
Interest expense on lease liabilities (refer note 37)	29.36	22.69
Interest expense on income tax	2.64	6.85
Other borrowing costs	6.09	2.16
	304.57	**192.90**

Notes to the consolidated financial statements for the year ended 31 March 2024

30. Depreciation and amortisation expense

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
- Depreciation on property , plant and equipment (refer note 3)	851.69	829.63
- Depreciation on right of use assets (refer note 6)	78.99	70.85
- Amortisation of intangible assets (refer note 5)	146.39	46.64
	1,077.07	**947.12**

31. Other expenses

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Stores and spares consumed	2,315.42	2,059.23
Power and fuel	1,580.82	1,380.69
Job work charges	609.53	537.18
Freight outward expenses	408.95	362.29
Royalty	494.69	463.92
Rent (refer note 37)	23.57	19.62
Rates and taxes	15.57	23.00
Insurance	45.14	39.11
Sub-contracting expenses	377.82	304.73
Repair and maintenance		
-Plant and machinery	213.80	185.42
-Buildings	90.90	92.44
-Others	30.49	27.05
Directors' fees	9.90	12.40
Provision for doubtful debts and advances (net)	2.53	6.56
Loss on sale / retirement of fixed assets (net)	3.28	-
Bad debts and advances written off	5.14	0.53
Corporate social responsibilities expenses	51.96	30.90
Travelling expenses	106.06	65.21
Legal and professional expenses	116.31	77.51
Miscellaneous expenses	898.70	724.58
	7,400.58	**6,412.37**

32. Earnings per share (EPS)

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Profit attributable to equity shareholders (Rs. million)	4,425.55	2,934.58
Weighted average number of equity shares (nos. million)	44.05	22.02
Earning per share		
- *Basic (Rs.)	100.47	66.62
- *Diluted (Rs.)	100.47	66.62

*During the current year, the Holding company has issued 22,024,912 equity shares of Re.10 each as fully paid-up bonus shares in the ratio of 1 (one) equity share for every 1 (one) equity share outstanding on the record date i.e. 24 July 2023. Accordingly, as required by Ind AS-33 Earnings per share, the EPS of current and previous period have been restated.

Notes to the consolidated financial statements for the year ended 31 March 2024

33. Research and development expenditure

The details of research and development expenditure incurred by the Group and included in the respective account heads are as under:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Capital expenditure	21.59	22.09
Revenue expenditure	226.85	211.05
	248.44	**233.14**

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

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Stores and spares consumed	56.72	59.55
Salaries and wages	127.54	117.43
Contribution to provident and other funds	11.11	7.43
Staff welfare expenses	1.29	1.39
Power and fuel	3.56	4.66
Repair and maintenance		
- Plant and machinery	15.18	14.89
- Buildings	0.52	0.18
Loss on sale/retirement of fixed assets (net)	0.03	0.17
Travelling expenses	2.55	1.27
Miscellaneous expenses	8.35	4.08
	226.85	**211.05**

34. Employee benefits

The Group has classified the various employee benefits as under :

i) Defined contribution plans

The Group has recognised the following amount in the statement of profit and loss:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Employers' contribution to provident fund	9.41	1.82
Employers' contribution to state insurance fund	31.16	28.65
	40.57	**30.47**

ii) Defined benefit plans - Gratuity

In accordance with Ind AS 19, actuarial valuation of defined benefit plans was done for Gratuity and details of the same are given below:

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Amount recognized in statement of Profit and Loss A/c		
Current service cost	78.88	79.13
Past service cost	-	0.61

Notes to the consolidated financial statements for the year ended 31 March 2024

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Net interest cost on defined benefit/ liability	(3.57)	1.10
Total expense recognised in the Statement of Profit and Loss	**75.31**	**80.84**
Actual contribution and benefit payments for the year		
Actual benefit payments	59.10	57.16
Actual contributions	201.69	30.41
	260.79	**87.57**
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	1,130.85	1,111.86
Fair value of plan assets	1,388.86	1,162.22
Funded status [surplus / (deficit)]	258.01	50.36
Net asset / (liability) recognised in the Balance Sheet	258.01	50.36
Assets recognised in the Balance Sheet		
Other current asset (refer note 11)	271.83	51.17
Other non-current asset (refer note 11)	0.22	-
Liability recognised in the Balance Sheet		
Provison for gratuity (refer note 18)	14.04	-
Other non-current liabilities (refer note 19)	-	0.81
Net asset / (liability) recognised in the Balance Sheet	**258.01**	**50.36**
Change in defined benefit obligations (DBO) during the year		
Present value of defined benefit obligations at beginning of the year	1,111.86	1,127.57
Acquisition pursuant to business combination (refer note 48 a)	8.48	-
Current service cost	78.88	79.13
Interest cost	82.71	75.49
Remeasurement of defined benefit obligations (Actuarial (gains)/losses)		
- Changes in demographic assumptions	0.30	-
- Changes in financial assumptions	(64.69)	(66.93)
- Experience variance	(27.59)	(46.85)
- Past service cost	-	0.61
Benefits paid	(59.10)	(57.16)
Transfer in / (out)	-	-
Present value of DBO at the end of the year	**1,130.85**	**1,111.86**
Change in fair value of plan assets during the year		
Plan assets at beginning of the year	1,162.22	1,111.19

Notes to the consolidated financial statements for the year ended 31 March 2024

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Expected return on plan assets	86.18	74.40
Contributions	201.69	30.41
Return on plan assets excluding amount recognised in net interest expenses	(2.41)	3.38
Benefits paid	(58.82)	(57.16)
Plan assets at the end of the year	**1,388.86**	**1,162.22**
Actual return on plan assets	83.77	77.78
Amount recognised in other comprehensive income		
Actuarial (gains)/ losses		
- Changes in demographic assumptions	0.29	-
- Changes in financial assumptions	(64.69)	(66.93)
- Experience variance	(27.59)	(46.85)
(Return)/loss on plan assets, excluding amount recognized in net interest expense	2.41	(3.39)
	(89.58)	**(117.17)**

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Actuarial assumptions for Gratuity		
Discount rate	7.15%-7.25%	7.35%-7.40%
Expected return on plan assets	7.21%	7.00%
Salary escalation	9.00%	10.00%
Attrition	5 %-10 %, p.a.	5 %-11%
Mortality table used	IAL 2012-14	IAL 2012-14

Estimate of the future salary increase is based on factors such as inflation, seniority, promotions, demand and supply in employment market.

Rs. million

Particulars		Year ended 31 March 2024		Year ended 31 March 2023	
		Impact on Liability		Impact on Liability	
Sensitivity Analysis for significant actuarial assumptions		**Increase**	**Decrease**	**Increase**	**Decrease**
Discount rate	+100 basis points	-	83.41	-	85.55
	'-100 basis points	92.07	-	97.63	-
Salary Growth Rate	+100 basis points	91.57	-	94.26	-
	'-100 basis points	-	80.76	-	84.32
Attrition Rate	+100 basis points	-	23.20	-	31.47
	'-100 basis points	29.86	-	43.18	-
Mortality Rate	+100 basis points	-	2.20	-	0.45
	'-100 basis points	2.21	-	0.45	-

The sensitivity analysis has been determined based on possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis present above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be co-related.

Notes to the consolidated financial statements for the year ended 31 March 2024

Risk factors in actuarial assumptions

Interest rate risk: The plan exposes the group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Liquidity risk: This is the risk that the group is not able to meet the short term gratuity payouts. This may arise due to non availability of enough cash/ cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary escalation risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary use to determine the present value of obligation will have a bearing on the plan's liability.

Demographic risk: The Group has used certain mortality and attrition assumption in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Asset liability mismatching or market risk: The duration of the liability is longer compared to duration of assets, exposing the Group to market risk for volatilities/ fall in interest rate.

Investment risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

The following payments are expected future cash flows to the defined benefit plan (undiscounted in future years):

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Year 1	117.74	102.59
Year 2 - 5 years	425.72	396.61
Year 6 - 10 years	576.59	580.54
More than 10 years	1,043.33	1,248.42

Regulatory framework/ governance / benefits under the plan:

The gratuity benefit is a post employment benefit. It is calculated at the terminal salary (Basic+VDA) at the time of separation of the employee according to the provisions of Payment of Gratuity Act, 1972. However, there is no restriction on the maximum amount of gratuity payable. The plan assets are managed by independent Board of Trustees, appointed by the group The trust is a separate legal entity and is recognized by the Commissioner of Income Tax, under the provisions of Schedule IV the the Income Tax Act, 1961.

The Board of trustees manages the entire plan assets through Life Insurance Corporation of India, SBI Life Insurance, Bajaj Allianz Life Insurance Company and HDFC Life Insurance Co. Under this policy, the eligible employees are entitled to receive gratuity payments upon their separation in lumpsum after deduction of necessary taxes. The fund managers do not disclose the composition of their portfolio investment, accordingly break-down of plan assets by investment type has not been disclosed.

Asset liability matching strategies

The Group has purchased insurance policy, which is a cash accumulation plan. Interest on the fund balances during the year is accumulated at the interest rate declared by insurance company at the end of the financial year. Gratuity claims are settled by the insurance company out of the fund, thus mitigating any liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of the liabilities. Thus, the group is exposed to movement in interest rate.

Notes to the consolidated financial statements for the year ended 31 March 2024

Effect of plan on entity's future cash flows

The Group has purchased insurance policies to provide for payment of gratuity to the employees. The contribution to the funds are made on a quarterly basis based on estimated shortfall in plan assets from liabilities. Expected contribution during the next annual reporting period is 0.74 milion (previous year Rs 25.33 million) Maturity profile of the defined benefit obligation based on weighted average duration is 10 Years.

The plan assets are managed by independent Board of Trustees through Life Insurance Corporation of India, SBI Life Insurance, Bajaj Allianz Life Insurance Company and HDFC Standard Life Insurance Co. Under this policy, the eligible employees are entitled to receive gratuity payments upon their separation in lumpsum after deduction of necessary taxes. The fund managers do not disclose the composition of their portfolio investment, accordingly break-down of plan assets by investment type has not been disclosed. Estimate of the future salary increase is based on factors such as inflation, seniority, promotions, demand and supply in employment market.

iii) Compensated absences

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Present value of DBO	457.37	420.72
Funded status [surplus / (deficit)]	(457.37)	(420.72)
Provision for compensated absences		
Non-current	306.51	284.92
Current	150.86	135.80

iv) Defined benefit plans

The Group has recognised the following amount in the statement of profit and loss:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Employers' contribution to provident fund	177.09	174.63
Employers' contribution to superannuation fund	26.96	29.38

v) Provident fund

In respect of certain employees, provident fund contributions are made to trust administered by the Holding Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Fund and Miscalleneous Provisions Act,1952 and shortfall, if any, shall be made good by the Holding Company. The rate is determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Holding Company has been higher in earlier years. As at 31 March 2024, the Holding Company has surplus in the trust administered by it.

35. Related party disclosure

As per Indian Accounting Standard – 24 the Group's related parties and transactions with them are disclosed below :

A. List of related parties:

Key management personnel	Shri Pradeep Dinodia, Chairman
	Shri Hari Shanker Bhartia, Director
	Smt Meenakshi Dass, Director
	Shri Inderdeep Singh, Director

Notes to the consolidated financial statements for the year ended 31 March 2024

	Shri Krishnakumar Srinivasan, Managing Director & CEO
	Shri Luv Deepak Shriram, Whole Time Director
	Smt. Ferida Chopra, Director
	Shri Alok Ranjan, Director (ceased to be director w.e.f. close of business hours of 29 March 2024)
	Shri Klaus Semke (Director)
	Shri Alexandru Vladoi , Alternate Director to Shri Klaus Semke
	Shri Masaaki Yamaguchi, Director (ceased to be director w.e.f. close of business hours of 31 March 2024)
	Shri Yasunori Maekawa, (Alternate Director of Masaaki Yamaguchi) (ceased to be alternate director w.e.f. close of business hours of 31 March 2024)
	Shri. Shinichi Unno, Independent Director
	Shri Sascha Putz, Director (ceased to be director w.e.f. close of business hours of 28 July 2023)
Close members of the family of key management personnel	
Shri Krishnakumar Srinivasan	Smt. Sumati Krishnakumar
Shri Luv Deepak Shriram	Smt. Meenakshi Dass
	Shri Kush Deepak Shriram
	Smt Nandishi Shriram
	Smt. Arati Shriram
Entity over which , Key management personnel and their Close members of the family has significant influence or control	Shriram Veritech Solutions Pvt. Ltd.
	S.R. Dinodia & Co. LLP
	Manisha Commercial Pvt. Ltd
	Deepak C. Shriram & Sons HUF
	Sera Com Pvt. Ltd.
	Sarva Commercial Pvt. Ltd.
	Shabnam Commercial Pvt. Ltd.
	Pradeep Dinodia HUF
	Luv Arati and Associates (AOP)
	Deepak Shriram Family Benefit Trust
	NAK Benefit Trust
Post-employment benefit plan entity	Shriram Pistons & Rings Ltd Gratuity Fund Trust
	Shriram Pistons & Rings Ltd Superannuation Fund Trust
	Shriram Pistons & Rings Ltd. Officers' Provident Fund Trust

Notes to the consolidated financial statements for the year ended 31 March 2024

B. Related party transactions

(i) Transactions during the year

Rs. million

Particulars	Entity over which, Key management personnel and their Close members of the family has significant influence or control		Key management personnel (KMP)		Close members of the family of key management personnel		Post-employment benefit plan entity		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Remuneration										
Short-term employees benefit	-	-	155.58	118.99	-	-	-	-	155.58	118.99
Post- employment benefit	-	-	2.48	2.48	-	-	-	-	2.48	2.48
Commission to directors	-	-	68.42	49.78	-	-	-	-	68.42	49.78
Legal expenses	1.44	1.20	-	-	-	-	-	-	1.44	1.20
Rent	1.85	3.41	1.44	1.44	0.96	0.96	-	-	4.25	5.81
Interest on deposits	0.35	0.44	0.98	2.30	1.75	3.15	-	-	3.08	5.89
Directors sitting fees	-	-	9.60	12.40	-	-	-	-	9.60	12.40
Dividend paid	141.84	132.39	12.60	11.76	0.01	0.01	-	-	154.45	144.16
Contribution paid	-	-	-	-	-	-	261.35	90.10	261.35	90.10
Deposits paid during the year	2.00	-	15.81	12.65	15.50	9.00	-	-	33.31	21.65
Purchase of material / stores	10.52	13.62	-	-	-	-	-	-	10.52	13.62

*Rounded off to zero

(ii) Balances due from/to the related parties

Rs. million

Particulars	Entity over which, Key management personnel and their Close members of the family has significant influence or control		Key management personnel (KMP)		Close members of the family of key management personnel		Post-employment defined benefit plan entity		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Deposits accepted	2.50	4.50	-	15.81	8.28	23.78	-	-	10.78	44.09
Interest accrued but not due	0.55	0.82	-	3.94	1.22	3.67	-	-	1.77	8.43
Amount payable/ (recoverable)	0.10	0.16	167.99	114.07	-	-	14.46	(36.74)	182.55	77.49

Note :

i) The deposit from related parties have been accepted on same rate of interest as applicable for other unrelated parties.

ii) The amount outstanding from related parties are unsecured and will be settled in cash.

iii) The transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions.

Notes to the consolidated financial statements for the year ended 31 March 2024

36. Information pursuant to clause 3 (vii) (b) of the Companies (Auditor's Report) Order, 2020 in respect of disputed dues, not deposited as at 31 March 2024, pending with various authorities:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates (various years covering the period)	Amount Involved* (Rs. million)	Amount Unpaid (Rs. million)	Amount Paid (Rs. million)
Income Tax Act, 1961	Income tax	Appellate authority up to Commissioners' level	2003-04, 2004-05, 2015-16, 2016-17, 2017-18, 2018-19, 2020-21, 2022-23	79.15	-	79.15
Income tax Act, 1961	Income tax	Appellate authority up to Commissioners' level	Assessment Year 2012-13	3.98	3.98	-
Income tax Act, 1961	Income tax	Appellate authority up to Commissioners' level	Assessment Year 2017-18	21.05	13.21	7.84
Income tax Act, 1961	Income tax	Appellate authority up to Commissioners' level	Assessment Year 2018-19	6.10	6.10	-
Income tax Act, 1961	Income tax	Appellate authority up to Commissioners' level	Assessment Year 2020-21	4.63	4.63	-
Finance Act, 1994	Service Tax	Custom, Excise & Service Tax Appellate Tribunal (CESTAT)	2012-13, 2013-14, 2014-15, 2015-16	19.79	19.28	0.51
Central Sales Tax Act, 1956	Sales Tax	Appellate Tribunal	2012-13, 2015-16	1.72	1.30	0.41
Sales Tax Laws	Sales Tax / Value Added Tax/ Entry Tax	Appellate authority up to Commissioners' level	2007-08, 2008-09, 2016-17, 2017-18	54.92	46.51	8.41
		Appellate Tribunal	2010-11, 2011-12, 2012-13, 2015-16	37.93	23.56	14.37
Goods & Service Tax Act 2017	Goods & Services Tax	Appellate authority up to Commissioners' level	2017-18	10.44	9.63	0.81
Goods and Services Tax Act 2017	Goods and Services tax Act 2017	Adjudicating Authority	From July 2017 to March 2021	0.89	0.89	-
Goods and Services Tax Act 2017	Goods and Services tax Act 2017	Adjudicating Authority	From July 2017 to March 2021	0.45	0.43	0.02
Goods and Services Tax Act 2017	Goods and Services tax Act 2017	Asst. Commissioner, CGST-Commissionerate, Alwar	July 2017 to September 2023	62.55	0.41	62.14

* amount as per demand orders including interest and penalty wherever quantified in the order.

37. Leases :

The changes in the carrying value of right of use assets for the year ended 31 March 2024 are as follows:

Rs. million

Particulars	Land	Buildings	Motor Car	Total
As at 31 March 2023				
Gross carrying amount				
Opening gross carrying amount	688.78	386.73	-	1,075.51
Additions	280.77	66.96	34.38	382.11
Addition pursuant to business combination (refer note 48 b)	2.69	28.75	-	31.44
Disposals	(259.74)	-	-	(259.74)
Closing gross carrying amount as at 31 March 2023	**712.50**	**482.44**	**34.38**	**1,229.32**

Notes to the consolidated financial statements for the year ended 31 March 2024

Rs. million

Particulars	Land	Buildings	Motor Car	Total
Accumulated amortization				
Opening accumulated depreciation	18.49	168.36	-	186.85
Depreciation / amortisation charged during the year	8.48	60.91	1.46	70.85
Closing accumulated depreciation as at 31 March 2023	**26.97**	**229.27**	**1.46**	**257.70**
Net carrying amount as at 31 March 2023	**685.53**	**253.17**	**32.92**	**971.62**
As at 31 March 2024				
Gross carrying amount				
Opening gross carrying amount	712.50	482.44	34.38	1,229.32
Additions	-	24.12	22.10	46.22
Addition pursuant to business combination (refer note 48 a)	74.99	-	-	74.99
Disposals	(1.92)	(16.63)	-	(18.55)
Closing gross carrying amount as at 31 March 2024	**785.57**	**489.93**	**56.48**	**1,331.98**
Accumulated amortization				
Opening accumulated depreciation	26.97	229.27	1.46	257.70
Depreciation / amortisation charged during the year	9.91	60.02	9.06	78.99
Disposals	-	(14.45)	-	(14.45)
Closing accumulated depreciation as at 31 March 2024	**36.88**	**274.84**	**10.52**	**322.24**
Net carrying amount as at 31 March 2024	**748.69**	**215.09**	**45.96**	**1,009.74**

The movement in lease liabilities during the year ended 31 March 2024 is as follows:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Balance at the beginning	342.88	249.88
Additions	46.22	153.13
Deletions	(4.03)	-
Finance cost accrued during the period	29.36	23.25
Payment of lease liabilities	(97.70)	(83.38)
Balance at the end	**316.73**	**342.88**

The break-up of current and non-current lease liabilities as of 31 March 2024 is as follows:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Current	55.86	66.44
Non-current	260.87	276.44
Total	**316.73**	**342.88**

Notes to the consolidated financial statements for the year ended 31 March 2024

The details of contractual maturities of lease liabilities on an undiscounted basis:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Less than one year	82.32	88.96
One to five years	242.79	248.86
More than five years	249.02	276.88
Total	**574.13**	**614.70**

The following are the amounts recognised in Statement of Profit or Loss:

Rs. million

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation expense of right of use assets	78.99	70.85
Interest expenses on lease liabilities	29.36	22.69
Expense relating to other than non-current leases (included in other expenses) #	23.57	19.62
Total amount recognised in Statement of Profit or Loss	**131.92**	**113.16**

Lease payments not recognised as a liability

The Group has elected not to recognise a lease liability for current leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The Group does not have any liability to make variable lease payments for the right-to-use the underlying asset recognised in the financials.

Total cash outflow for short-term leases for the year ended 31 March 2024 is Rs. 23.57 million (previous year Rs. 19.62 million).

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised on balance sheet:

Rs. million

	Right of use assets taken under lease (nos.)	Range of remaining term (years)	Average remaining lease term (years)
Building			
- 31 March 2024	40	1 to 10.75	11
- 31 March 2023	41	1 to 11.75	12
Land			
- 31 March 2024	16	2.75 to 99	97
- 31 March 2023	15	2 to 99	98
Car			
- 31 March 2024	58	4 to 5	4
- 31 March 2023	33	4 to 5	5

The Group does not face a significant liquidity risk with regard to its lease liabilities to meet the obligations related to lease liabilities as and when they fall due.

Notes to the consolidated financial statements for the year ended 31 March 2024

38. Segment reporting

The Group is engaged in a single segment i.e. the business of "automotive components" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the Group's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

Geographical information in respect of sale of products from customers is given below

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Domestic Sale	25,245.10	20,800.81
Export Sale	5,182.80	4,841.37
	30,427.90	**25,642.18**

Notes:

a) There are no non-current assets domiciled outside India.

b) During financial year ended 31 March 2024, revenue from one customer amounting to Rs 3,051.56 million (previous year 2,756.34 million) represents 10% or more of the Group's revenue from operations.

39. Contingent liabilities

Rs. million

	As at 31 March 2024	As at 31 March 2023
Claims against the Group disputed and not acknowledged as debts		
- Sales tax*	94.56	88.46
- Service tax*	19.79	18.77
- Excise Duty*	-	9.54
- Goods & Services Tax*	74.33	0.11
- Income tax*	37.17	1.43
- Employees' State Insurance#	28.83	28.83
- Labour matters#	300.40	246.06
- Commercial matters	25.84	24.97

All the above matters are subject to legal proceedings in the ordinary course of business. In the opinion of the management, the legal proceedings, when ultimately concluded, will not have a material effect on operations or the financial position of the Group.

* refer note 36

this pertains to the legal proceedings related to labour cases.

40. Capital and other commitments

Rs. million

		As at 31 March 2024	As at 31 March 2023
i)	Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	582.41	199.00

Notes to the consolidated financial statements for the year ended 31 March 2024

ii) Outstanding export obligation required to be fulfilled under the EPCG scheme against import of some machines/ capital equipments is as under:

a) average export obligation of Rs 2,619.17 million every year (previous year Rs. 1,927.01 million every year) to be fulfilled till the time specific export obligation is discharged and

b) specific export obligation of Rs. 67.30 million (previous year Rs. 21.80 million) to be fulfilled over a period of maximum up to 5 years. Customs duty saved against outstanding export obligation is Rs. 11.13 million (previous year Rs.3.34 million).

The Group has other commitments, for purchase / sales orders which are issued after considering requirements as per operating cycle for purchase / sale of goods, employee benefits including union agreements in normal course of business. The Group does not have any other long term commitments or material non-cancellable contractual commitments, which may have a material impact on the financial statements.

41. Investment in subsidiary

i) The Holding Company has made investment in equity shares of the following subsidiary (intermediary) for further investment in equity shares of ultimate beneficiary as under:

During the year ended 31 March 2024

Rs. million

Name of the intermediary	Date of investment into intermediary	Amount of investment in intermediary	Name of the ultimate beneficiary	Date of investment by intermediary into ultimate beneficiary	Amount of investment by intermediary into ultimate beneficiary
SPR Engenious Limited	10 October 2023	675.09	SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	16 October 2023	675.09
	05 February 2024	700.00	SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	01 February 2024	(15.12)*
				01 March 2024	700.00

*Rs. 55.0 million were held back in financial year 2022-23 to be paid as per terms of the Share Purchase Subscription Agreement. On 01 February 2024, Rs. 39.88 million paid to sellers after adjustment of Rs. 15.12 million on account of closing adjustments as per terms of Share Purchase Subscription Agreement. This has resulted into reduction in investment of SPR Engenious Limited in SPR EMF Innovations Private Limited ((formerly EMF Innovations Private Limited) by Rs. 15.12 million.

During the year ended 31 March 2023

Rs. million

Name of the intermediary	Date of investment into intermediary	Amount of investment in intermediary	Name of the ultimate beneficiary	Date of investment by intermediary into ultimate beneficiary	Amount of investment by intermediary into ultimate beneficiary
SPR Engenious Limited	23 November 2022	299.50	SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	11 January 2023	780.03 *
	30 December 2022	480.53			

*Includes Rs. 55.0 million to be paid as per terms of the Share Purchase Subscription Agreement

Notes to the consolidated financial statements for the year ended 31 March 2024

ii) With regard to the above investments made during the financial year 2022-23 and financial year 2023-24, the Group has complied with the relevant provisions of the applicable laws.

42. Fair value measurement

i) The carrying value and fair value of financial instruments by categories as of 31 March 2024 are as under:

Rs. million

Particulars	Financial assets/ (financial liabilities) at fair value	Total carrying value	Total fair value
Financial assets/(financial liabilities)			
Investment in mutual fund	1,097.39	1,097.39	1,097.39
Investments in other equity instruments	48.00	48.00	48.00
Bank deposits	1,350.86	1,350.86	1,350.86
Security deposits	209.70	209.70	209.70
Derivatives instruments*			
- Cross Currency Swap	26.18	26.18	26.18
- Forward contracts	1.79	1.79	1.79
- Forward contracts	(0.55)	(0.55)	(0.55)
- Put option liabilities (refer note 23)	(82.73)	(82.73)	(82.73)
- Call option asset (refer note 9)	41.00	41.00	41.00
Total	**2,691.64**	**2,691.64**	**2,691.64**

The carrying value and fair value of financial instruments by categories as of 31 March 2023 are as under:

Rs. million

Particulars	Financial assets/ (financial liabilities) at fair value through profit or loss (FVTPL)	Total carrying value	Total fair value
Financial assets/(financial liabilities)			
Investment in mutual fund	674.97	674.97	674.97
Investments in other equity instruments	48.00	48.00	48.00
Bank deposits	771.97	771.97	771.97
Security deposits	195.48	195.48	195.48
Derivatives instruments*			
- Cross Currency Swap	23.41	23.41	23.41
- Forward contracts	1.96	1.96	1.96
Total	**1,715.79**	**1,715.79**	**1,715.79**

*Change in fair value is recognised in other comprehensive income.

ii) Fair value hierarchy

The Group uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3.

Level 1 - This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Notes to the consolidated financial statements for the year ended 31 March 2024

Level 3 - This level includes financial assets and liabilities, measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2024:

Rs. million

Particulars	As at 31 March 2024	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3#
Financial assets/(liabilities)				
Investment in mutual fund*	1097.39	-	1097.39	-
Investments in other equity instruments**	48.00	-	-	48.00
Bank deposits	1,350.86	1,350.86	-	-
Security deposits****	209.70	-	-	209.70
Derivatives instruments				
- Cross Currency Swap***	26.18	-	26.18	-
- Forward contracts***	1.79	-	1.79	-
- Forward contracts***	(0.55)	-	(0.55)	-
- Put option liabilities (refer note 23)#	(82.73)	-	(82.73)	-
- Call option asset (refer note 9)#	41.00	-	41.00	-
Total	**2,691.64**	**1,350.86**	**1,083.08**	**257.70**

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2023:

Rs. million

Particulars	As at 31 March 2023	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3#
Financial assets/(liabilities)				
Investment in mutual fund*	674.97	-	674.97	-
Investments in other equity instruments**	48.00	-	-	48.00
Bank deposits	771.97	771.97	-	-
Security deposits****	195.48	-	-	195.48
Derivatives instruments				
- Cross Currency Swap***	23.41	-	23.41	-
- Forward contracts***	1.96	-	1.96	-
Total	**1,715.79**	**771.97**	**700.34**	**243.48**

There is no transfer between the fair value measurement hierarchy amongst level 1, level 2 and level 3 during the year ended 31 March 2023 and 31 March 2024.

* The fair values are based on net asset value.

** This is the transaction price as at which the investment was made. In accordance with the Share Holder's Agreement

Notes to the consolidated financial statements for the year ended 31 March 2024

('SHA') executed between the Holding Company and Lalganj Power Private Limited, the Holding Company of Lalganj Power Private Limited or any its nominees have an obligation to buy-back the aforementioned equity shares held by the Holding Company for an amount, at the price at which the shares were acquired by the Holding Company.

*** The fair values are based on exchange rates as at the reporting date.

****The fair value is based on the valuation model which considers the present value of expected payment, discounted using a risk-adjusted discount rate. The own non-performance risk was assessed to be insignificant.

The fair valuation of put option liabilities and call option asset is based on the simulated EBITDA using Monte Carlo simulation.

iii) Financial assets and financial liabilities that are measured at amortised cost are :

Rs. million

Particulars	Carrying amount	
	As at 31 March 2024	As at 31 March 2023
Financial assets		
Trade and other receivables	4,760.55	3,965.90
Cash and cash equivalents	534.90	305.15
Other bank balances	8,084.82	6,163.77
Other financial assets	442.70	195.95
Financial liabilities		
Borrowings	4,549.13	2,988.67
Trade payables	3,559.80	2,915.24
Lease Liabilities	316.73	342.88
Other financial liabilities	1,220.19	819.11

The carrying value of above financial assets and financial liabilities approximate its fair value.

43. Capital management

The Group's objective for managing capital is to ensure as under:

i) Ensure the Group's ability to continue as a going concern

ii) Maintain a strong credit rating and debt equity and capital gearing ratio in order to support business and maximize the shareholders' value.

iii) Maintain an optimal capital structure.

iv) Compliance of financial covenants under the borrowing facilities.

The Group manages its capital structure keeping in view of:

i) Compliance of financial covenants under the borrowing facilities

ii) Changes in economic conditions

In order to achieve this overall objective of capital management, amongst other things, the Group aims to ensure that it meets financial covenants attached to the borrowings facilities defining capital structure requirements, where breach in meeting the financial covenants may permit the lender to call the borrowings.

There have been no breach in the financial covenants of any borrowing facility in the current period. There is no change in the objectives, policies or processes for managing capital over previous year. To maintain the capital structure, the Group may vary the dividend payment to shareholders.

Notes to the consolidated financial statements for the year ended 31 March 2024

For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Holding Company and net debt includes total liabilities, comprising interest bearing loans and borrowings, excluding any dues to subsidiaries or group companies less cash and cash equivalents.

The Group monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts adjusted with available cash and bank balances divided by total capital (equity attributable to owners of the Group."

The funding requirement of the Group is primarily met through internal accruals, leading to a negative net debt position as under:

Rs. million

	As at 31 March 2024	As at 31 March 2023
Borrowings (refer note 17 and 21) (including current maturities	4,549.13	2,988.67
Less: cash and bank balances (refer note 14)	8,619.72	6,468.92
Net debt	**(4,070.59)**	**(3,480.25)**

44. Financial risk management

The Group's principal financial liabilities, other than derivatives, comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that it derives directly from its operations. The Group also holds FVTPL current investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks under appropriate policies and procedures.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL current investments and derivative financial instruments.

a) Foreign exchange risk

The Group is exposed to foreign exchange risk through its sales and purchases from overseas in foreign currencies mainly in USD, EURO, CNY and JPY. The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Group's operations may be adversely affected as the rupee appreciates/ depreciates against these currencies.

Sensitivity

Each percentage point change in the foreign exchange rates has an impact on profit before tax / total equity as follows:

Rs. million

	Profit before tax		Total equity	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Exchange rate - increase by 1%	(2.61)	(1.94)	(1.95)	(1.45)
Exchange rate - decrease by 1%	2.61	1.94	1.95	1.45

Notes to the consolidated financial statements for the year ended 31 March 2024

The Group's foreign currency risk from financial instruments are as under:

(Foreign currency million)

Particulars	Currency	As at 31 March 2024			As at 31 March 2023		
		Total	Hedged	Net	Total	Hedged	Net
Trade and other receivables	USD	9.44	7.43	2.01	8.16	3.70	4.46
	EUR	5.50	3.93	1.57	4.58	2.62	1.96
	JPY	14.20	0.75	13.45	24.85	-	24.85
	GBP	0.24	-	0.24	0.02	0.02	-
Trade payables	USD	1.02	-	1.02	1.22	0.06	1.16
	EUR	1.17	-	1.17	0.24	-	0.24
	CNY	1.89	-	1.89	-	-	-
	JPY	462.64	-	462.64	282.20	133.20	149.00
	THB	19.88	-	19.88	-	-	-
Advance to suppliers	USD	0.30	-	0.30	-	-	-
Capital advance	USD	0.10	-	0.10	-	-	-
	CNY	3.19	-	3.19	-	-	-
Capital creditors	JPY	145.68	145.68	-	145.68	145.68	-
Borrowings	USD	6.45	6.45	-	7.59	7.59	-
	SGD	0.99	0.99	-	-	-	-

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the Group enters into cross currency interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

The Group is not exposed to any significant /material interest rate risk.

Sensitivity

Variable interest rate loan are exposed to interest rate risk, impact on profit before tax / total equity may be as follows:

Rs. million

	Profit before tax		Total equity	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Interest rate - increase by 0.50%	22.75	14.94	17.02	11.18
Interest rate - decrease by 0.50%	(22.75)	(14.94)	(17.02)	(11.18)

ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily

Notes to the consolidated financial statements for the year ended 31 March 2024

trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactionsand other financial instruments. Credit risk is managed by Group's established policy, procedures and control relating to customer credit risk management.

Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. The Group uses expected credit loss model to assess the impairment loss and makes an allowance for doubtful debts using expected credit loss model on case to case basis.

Movement in the expected credit loss allowance

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Balance at beginning of the year	32.21	30.16
Add: Provided during the year	5.21	2.05
Less: Reversal of provision	-	
Less: Amount written off	-	-
Balance at the end of the year	**37.42**	**32.21**

The ageing analysis of trade receivables (net) before adjustment of expected credit loss provision of Rs. 37.42 million (31 March 2023: Rs. 33.11 million) as of the reporting date is as follows:

Age Bracket	Not due	Less than 6 months	6 month to 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivable (gross)	3,961.22	768.29	27.32	21.66	3.91	15.57	4,797.97
Less: Allowance for expected credit loss	-	4.70	2.00	11.24	3.91	15.57	37.42
Trade receivable (net)	3,961.22	763.59	25.32	10.42	-	-	4,760.55
Expected credit loss %	**-**	**0.61%**	**7.30%**	**51.90%**	**100.00%**	**100.00%**	**0.78%**
As at 31st March 2023							
Trade receivable (gross)	3,511.07	437.47	26.08	6.02	3.38	14.09	3,998.11
Less: Allowance for expected credit loss	-	4.41	4.31	6.02	3.38	14.09	32.21
Trade receivable (net)	3,511.07	433.06	21.77	-	-	-	3,965.90
Expected credit loss %	**-**	**1.01%**	**16.51%**	**100.00%**	**100.00%**	**100.00%**	**0.81%**

iii) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans. Liquidity risk is managed by Group's established policy & procedures made under liquidity risk management framework. The Group manages liquidity risk by maintaining adequate reserves, banking facilities, and reserve borrowing facilites,by continuously forecast and actual cash flows, and by matching the maturity profile of financial assets and liabilities.

Notes to the consolidated financial statements for the year ended 31 March 2024

The financial assets and liabilities have been appropriately disclosed in financial statements as current and non current portion. The maturity period of non current financial assets and financial liabilities ranges between 1 to 6 years except lease liabilities where period may vary as per respective lease agreements.

Rs. million

	As at 31 March 2024	As at 31 March 2023
On demand		
- Borrowings	1,900.02	1,122.08
Less than 1 year		
- Borrowings	578.13	406.41
-Trade payables	3,559.80	2,915.24
-Lease liabilities	55.86	66.44
-Other financial liabilities	1,053.01	725.33
More than 1 year		
- Borrowings	2,070.98	1,460.18
-Lease liabilities	260.87	276.44
-Other financial liabilities	85.00	93.78
Details of undrawn facilities of the Company from banks and financial institutions (fund based as well as non fund based):		
Total Committed working capital limits from Banks	4,399.50	3,085.00
Utilized working capital limit	2,489.05	1,741.51
Unutilized working capital limit	1,910.45	1,343.49

iv) Commodity risk

Commodity price risk is the financial risk on the Group's profitability upon fluctuations in the prices of commodities since they are primarily driven by external market forces. Sharp fluctuations in commodity prices can affect production costs, product pricing and earnings. This price volatility makes it imperative for an entity to manage the impact of commodity price fluctuations across its value chain to effectively manage its financial performance and profitability. To mitigate these risks, the company employs multiple levers, each chosen based on a cost benefit analysis and the extent of exposure to commodity price fluctuations. These include assessing the feasibility of passing any adverse fluctuations onto customers through price increases, continuously engaging in cost optimisation initiatives and process improvement exercises. The Group also explores options such as localizing imports/ implementing global sourcing strategies to ensure most cost effective sourcing. Based on the assessment by the Group and after factoring the ability to optimise costs and pass on prices to customers, no individual commodity is expected to have a significant adverse impact on the financial performance/profitability beyond its materiality threshold approved by the Board.

v) Other price risks

The Group has deployed its surplus funds into various financial instruments including units of mutual funds. The Group is exposed to NAV (net asset value) price risks arising from investments in these funds. The value of these investments is impacted by movements in interest rates , liquidity and credit quality of underlying securities.

45. Hedge accounting

i) Forwards contracts

The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place.

Notes to the consolidated financial statements for the year ended 31 March 2024

Details of forward foreign currency contracts outstanding at the end of reporting period are as under:

(Foreign currency million)

Outstanding contracts	Currency	As at 31 March 2024	As at 31 March 2023
Maturing not later than one month	USD/INR	3.03	3.76
	EUR/INR	1.68	1.37
	EUR/USD	0.15	-
	JPY/INR	146.43	-
	JPY/USD	32.81	33.20
	GBP/INR	-	0.10
Maturing later than one month and not later than three months	USD/INR	4.41	-
	EUR/INR	2.26	1.25
	EUR/USD	0.41	-
	JPY/USD	225.00	100.00
	GBP/USD	0.08	-
Maturing later than three month and not later than one year	JPY/INR	-	145.68
	JPY/USD	100.00	-
	SGD/INR	1.00	-

The Group has designated foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The related hedge transactions for balance lying in cash flow hedging reserve are expected to occur and reclassified in the statement of profit or loss within 6 months.

Hedge effectiveness is determined at the inception of the hedge relationship. To ensure that an economic relationship exists between the hedged item and hedging instrument, the Group matches the critical terms of the hedged items and hedging instruments.

ii) Reconciliation of cash flow hedge reserve are as under:

Rs. million

Particulars	As at 31 March 2024	As at 31 March 2023
Assets /(liabilities)		
Balance at the beginning of the year	0.33	(10.05)
Gain / (loss) recognised in other comprehensive income during the year	(2.07)	13.87
Tax impact on above	0.45	(3.49)
Balance at the end of the year	(1.29)	0.33

46. The Group does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.

47. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund (IEPF) by the Group during the year.

Notes to the consolidated financial statements for the year ended 31 March 2024

48. Business Combinations

a) SPR Takahata Precision India Private Limited

On 08 February 2023 has approved acquisition of majority stake of 75% in SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) (SPR-TPIPL) through SPR Engenious Limited (SEL), its wholly-owned subsidiary. The definitive agreements in connection with the acquisition transaction were executed on 09 February 2023.

Further, on 14 October 2023, the Board of Directors of the Company approved the proposal for amending the Share Purchase Agreement (SPA) and Shareholders' Agreement (SHA) in the form of addendums to the SPA and SHA dated 09 February 2023 with respect to acquisition of 62% stake in SPR-TPIPL through SEL. The acquisition of SPR-TPIPL has been completed on 16 October 2023. With this, SPR-TPIPL has become a step-down subsidiary of the Company deals in precision injection moulded parts, fits into Group's strategy of inorganic growth and qualifies as a business as defined in IND AS 103. The valuation models used in the fair valuation of assets and liabilities acquired in the business combination included discounting cash flow method, multi period excess earning method etc using assumptions such as future cash flows, contributory asset charges, discount rate applied, etc., which are subject to high estimation uncertainty. The amounts recognised in respect of the identifiable assets acquired and liabilities assumed by SEL on acquisition date are as set out in the table below:

Rs. million

Particulars	Amount
Fair value of consideration transferred	
Purchase Consideration	675.10
Total (A)	**675.10**
Assets aquired	
a) Property, plant and equipment	1,228.64
b) Capital work-in-progress	12.16
c) Right of use assets	74.99
d) Other intangible assets	267.08
e) Trade receivables	429.10
f) Inventories	256.05
g) Cash and cash equivalent	310.35
h) Call option asset	41.00
i) Other assets	122.82
Total assets acquired (i)	**2,742.19**
Liabilities assumed	
a) Borrowings	1,320.10
b) Deferred tax liabilities	69.42
c) Trade payables	169.48
d) Other liabilities	163.82
Total liabilities assumed (ii)	**1,722.82**
Net assets acquired (B) (i-ii)	**1,019.37**
Non-controlling interest (C)	**413.80**
Goodwill (A-B+C)	**69.53**

Notes to the consolidated financial statements for the year ended 31 March 2024

The non-controlling interest (38% ownership interest in SPR-TPIPL) recognised at the acquisition date was measured by reference to the fair value of the non-controlling interest and amounted to Rs. 413.80 million. This fair value was estimated using following key model inputs:

i) Assumed discount rate of 17.7%

ii) Assumed long-term sustainable growth rates of 4%

iii) Assumed adjustments because of the lack of control or lack of marketability that market participants would consider when estimating the fair value of the non-controlling interests in SPR-TPIPL.

SPR-TPIPL has contributed Rs.1,230.05 million to Group's revenue from operation and Rs. 80.61 million to the Group's profit for the year ended 31 March 2024. Further, SPR-TPIPL would have contributed Rs. 2,675.08 million to Group's revenue from operations and Rs. 129.94 million to the Group's profit for the year ended 31 March 2024 if the acquisition date for the business combination had been as of the beginning of the annual reporting period.

i) Derivative instruments - Call option assets and Put option liabilities

The Share Purchase Agreement executed between SEL and minority shareholders of SPR-TPIPL also includes a call option with SEL to buy remaining stake in SPR-TPIPL from the minority shareholders and a corresponding put option with the minority shareholders to ask SEL to purchase their shares during specified periods mentioned therein. Acordingly, the Group has recognised a put liability aggregating to Rs. 82.73 million and call option asset amounting to Rs. 41.00 million with respect to such options in accordance with the requirements of Ind AS 32, Financial Instruments Presentation.

b) SPR EMF Innovations Private Limited

The Holding Company has invested Rs. 1,200 million in SPR Engenious Limited (SEL), its wholly owned subsidiary (WOS) which was incorporated on 26 September 2022 with the Registrar of Companies (Delhi & Haryana) with the purpose of diversifying its product portfolio in the areas related to the automotive segment.

On 11 January 2023, SEL acquired 51% of share capital of SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited) (SPR-EMFI) for a cash consideration of Rs. 780.03 million, thereby obtaining control of SPR-EMFI. SPR-EMFI is into manufacturing of electric vehicle drive train components such as Electric Motors and Motor Controllers for the Electric Vehicles & other applications, which fits into Group's strategy of inorganic growth and qualifies as a business as defined in IND AS 103. The valuation models used in the fair valuation of assets and liabilities acquired in the business combination included discounting cash flow method, multi period excess earning method etc using assumptions such as future cash flows, contributory asset charges, discount rate applied, etc., which are subject to high estimation uncertainty. The amounts recognised in respect of the identifiable assets acquired and liabilities assumed by SEL on acquisition date are as set out in the table below:

Rs. million

Particulars	Amount
Fair value of consideration transferred	
Purchase Consideration	780.03
Total (A)	**780.03**
Assets aquired	
a) Property, plant and equipment	42.77
b) Right of use assets	31.44
c) Intangible assets	700.21
d) Other non current financial assets	1.29
e) Other non-current assets	2.59
f) Inventories	74.88
g) Other current financial assets	270.35
h) Current tax assets (net)	0.16
i) Other current assets	39.89
Total assets acquired (i)	**1,163.58**

Notes to the consolidated financial statements for the year ended 31 March 2024

Rs. million

Particulars	Amount
Liabilities assumed	
a) Financial liabilities	179.52
b) Other non current liabilities	3.98
c) Other Current Liabilities	70.34
d) Deferred tax liabilities	81.00
Total liabilities assumed (ii)	**334.84**
Net assets acquired (B) (i-ii)	**828.74**
Non-controlling interest (C)	**445.61**
Goodwill (A-B+C)	**396.90**

The non-controlling interest (49% ownership interest in SPR-EMFI) recognised at the acquisition date was measured by reference to the fair value of the non-controlling interest and amounted to Rs. 445.61 million. This fair value was estimated using following key model inputs:

i) Assumed discount rate of 22.2%

ii) Assumed long-term sustainable growth rates of 2%

iii) Assumed adjustments because of the lack of control or lack of marketability that market participants would consider when estimating the fair value of the non-controlling interests in SPR-EMFI.

SPR-EMFI has contributed Rs.45.37 million to Group's revenue from operation and Rs. 8.57 million to the Group's profit for the year ended 31 March 2023. Further, SPR-EMFI would have contributed Rs. 229.13 million to Group's revenue from operations and Rs. (52.58) million to the Group's profit for the year ended 31 March 2024 if the acquisition date for the business combination had been as of the beginning of the annual reporting period.

49. Interests in other entities

The Group's subsidiaries at 31 March 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Place of business / Country of incorporation	Ownership interest held by the group	Ownership interest held by non-controlling interests
SPR Engenious Limited	India	100%	-
SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)*	India	*66.42%	33.58%
SPR Takahata Precision India Private. Limited (formerly Takahata Precision India Private Limited)**	India	**62%	38.00%

The Group is engaged in a single segment i.e. the business of "automotive components".

The following table summarises the information relating to each of the Group's subsidiaries that has non-controlling interests, before any intra group eliminations:

As at 31 March 2024

Rs. million

Particulars	SPR EMF Innovations Private Limited	SPR Takahata Precision India Private Limited
Non-controlling interest ('NCI') (%)	33.58%	38%
Non-current assets	241.04	1,304.91
Current assets	881.61	982.63
Non-current liabilities	70.44	965.61
Current liabilities	93.89	438.27
Net assets	**958.32**	**883.66**

Notes to the consolidated financial statements for the year ended 31 March 2024

Rs. million

Particulars	SPR EMF Innovations Private Limited	SPR Takahata Precision India Private Limited
Net assets attributable to NCI	321.80	335.79
Revenue	128.87	1,230.05
Profit after tax	(57.37)	80.61
Other comprehensive income	(0.22)	(0.47)
Total other comprehensive income	**(57.59)**	**80.14**
Profit allocated to NCI	(28.07)	30.63
OCI allocated to NCI	(0.09)	(0.18)
Cash flows (used in) / from operating activities	(88.26)	455.74
Cash used in investing activities	(573.82)	(28.05)
Cash flows from / (used in) financing activities	669.69	(312.84)
Net increase in cash and cash equivalents	**7.61**	**114.85**

As at 31 March 2023

Rs. million

Particulars	SPR EMF Innovations Private Limited
Non-controlling interest ('NCI') (%)	49.00%
Non-current assets	163.56
Current assets	310.79
Non-current liabilities	90.96
Current liabilities	67.48
Net assets	**315.91**
Net assets attributable to NCI	154.79
Revenue	45.37
Profit after tax	8.57
Other comprehensive income	-
Total other comprehensive income	**8.57**
Profit allocated to NCI	4.20
OCI allocated to NCI	-
Cash used in operating activities	(45.51)
Cash used in investing activities	(227.29)
Cash flows from financing activities	272.52
Net decrease in cash and cash equivalents	**(0.28)**

*During the year, the holding company has infused Rs. 700.00 million through subscription of equity share capital of SPR Engenious Limited (SEL), wholly owned subsidiary of the company. Further, SEL has infused Rs. 700.00 million by way of subscription to the equity share capital of SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited) (SPR-EMFI), step down subsidiary of the company. Accordingly, the shareholding of SEL in SPR-EMFI has increased from 51.00 % to 66.42%.

**The Board of Directors of the Group in its meeting held on 08 February 2023 has approved acquisition of majority stake of 75% in SPR Takahata Precision India Private Limited (SPR-TPIPL) through SPR Engenious Limited (SEL), its wholly-owned subsidiary. The definitive agreements in connection with the acquisition transaction were executed on 09 February 2023. Further, on 14 October 2023, the Board of Directors of the Group approved the proposal for amending the Share Purchase Agreement (SPA) and Shareholders' Agreement (SHA) in the form of addendums to the SPA and SHA dated 9 February 2023 with respect to acquisition of 62% stake in SPR-TPIPL through SEL. The acquisition of SPR-TPIPL has been completed on 16 October 2023. With this, SPR-TPIPL has become a step-down subsidiary of the Group.

Notes to the consolidated financial statements for the year ended 31 March 2024

50. Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 is given below:

For the year ended 31 March 2024

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Rs. million	As % of consolidated profit or loss	Rs. million	As % of consolidated profit or loss	Rs. million	As % of consolidated profit or loss	Rs. million
Holding								
Shriram Pistons & Rings Limited	78.62	19,498.57	99.61	4,467.64	101.02	65.79	99.64	4,533.43
Subsidiary								
SPR Engenious Limited	13.95	3,459.13	(0.13)	(5.99)	0.05	0.03	(0.13)	(5.96)
Stepdown Subsidiary								
SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	3.86	958.32	(1.28)	(57.37)	(0.34)	(0.22)	(1.27)	(57.59)
SPR Takahata Precision India Private. Limited (formerly Takahata Precision India Private Limited)	3.56	883.66	1.80	80.61	(0.73)	(0.48)	1.76	80.13
Sub total	**100.00**	**24,799.68**	**100.00**	**4,484.89**	**100.00**	**65.12**	**100.00**	4,550.01
Adjustment arising out of consolidation		(4,594.15)		(98.25)		-		(98.25)
Total		**20,205.53**		**4,386.64**		**65.12**		**4,451.76**

For the year ended 31 March 2023

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Rs. million	As % of consolidated profit or loss	Rs. million	As % of consolidated profit or loss	Rs. million	As % of consolidated profit or loss	Rs. million
Holding								
Shriram Pistons & Rings Limited	91.22	15,295.53	100.19	2,955.06	100.00	98.06	100.19	3,053.12
Subsidiary								
SPR Engenious Limited	7.07	1,185.78	(0.48)	(14.22)	-	-	(0.47)	(14.22)
Stepdown Subsidiary								
SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	1.71	287.18	0.29	8.57	-	-	0.28	8.57
Sub total	**100.00**	**16,768.49**	**100.00**	**2,949.41**	**100.00**	**98.06**	**100.00**	**3,047.47**
Adjustment arising out of consolidation		(1,044.12)		(10.63)		-		(10.63)
Total		**15,724.37**		**2,938.78**		**98.06**		**3,036.84**

Notes to the consolidated financial statements for the year ended 31 March 2024

51. The Holding Company has invested Rs. 2,300.00 million (previous year: Rs. 1,200.00 million) in SPR Engenious Limited (SEL), its wholly owned subsidiary (WOS), which has been incorporated on 26 September 2022 with the Registrar of Companies (Delhi & Haryana) through right issue with purpose of diversifying its product portfolio in the areas related to the automotive segment. During the year, the Holding Company has infused Rs. 700.00 million through subscription of equity share capital of SPR Engenious Limited (SEL), wholly owned subsidiary of the Holding Company. Further, SEL has infused Rs. 700.00 million by way of subscription to the equity share capital of SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited) (SPR-EMFI), step down subsidiary of the Holding Company. Accordingly, the shareholding of SEL in SPR-EMFI has increased from 51.00% to 66.42%. Accordingly, SEL became the material subsidiary in terms of Regulation 24(1) of SEBI Listing Regulations 2015.

52. During the year, Holding Company has acquired 62 % of equity share in SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited). Further, the Holding Company has provided following corporate guarantee in favour of the bank to provide additional security against term loan granted by the bank:

(Rs. million)

Name of the step down subsidiary	Name of the bank	Amount of loan	Amount of guarantee
SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	HDFC Bank	1,100.00	1,100.00

53. The Board of the Holding Company pursuant to shareholder's approval in the annual general meeting held on 06 July 2023, allotted 22,024,912 equity shares as bonus share in the ratio of 1:1 to those shareholders who held shares as on record date i.e. 24 July 2023.

54. SPR Engenious Limited, wholly owned subsidiary of the Holding Company has commenced manufacturing operations on 27 March 2024, at its facility located at Pithampur, Madhya Pradesh.

55. The Group has no transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

56. No proceedings have been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

57. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

58. The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

59. Following are the details of Funds received by SPR Engenious Limited (wholly-owned subsidiary of the Holding Company) for futher investment to the Ultimate Beneficiaries:

(Rs. million)

Name of the funding party	Date of receipt of funds from funding party	Amount funded by funding party (in Rs million)	Name of ultimate beneficiary	Date of investment into ultimate beneficiary	Amount invested in ultimate beneficiary
Shriram Pistons & Rings Limited	10 October 2023	675.09	SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	16 October 2023	675.09
	05 February 2024	700.00	SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	01 February 2024	(15.12)*
				01 March 2024	700.00

*Rs. 55.0 million were held back in financial year 2022-23 to be paid as per terms of the Share Purchase Subscription Agreement. On 01 February 2024, Rs. 39.88 million paid to sellers after adjustment of Rs. 15.12 million on account of closing adjustments as per terms of Share Purchase Subscription Agreement. This has resulted into reduction in investment of SPR Engenious Limited in SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited) by Rs. 15.12 million.

60. The Group is not declared wilful defaulter by any bank or financial institution or government or any government authority.

Notes to the consolidated financial statements for the year ended 31 March 2024

61. The Group has complied with the number of layers as prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

62. In terms of SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021, the Holding Company falls under the definition of "Large Corporate" (LC) as on 31 March 2024 based on following details:

Particulars	Amount in Rs. million
Outstanding Qualified Borrowings as on 31 March 2023	1,374.45
Outstanding Qualified Borrowings as on 31 March 2024	1,332.85
Highest credit rating of the company related to unsupported bank borrowing or plain vanilla bonds, which have no structuring/support built in	IND AA
Incremental borrowing during the financial year 2023-24	143.4
Borrowing by way of issuance of debt securities during the financial year 2023-24	NIL

In terms of SEBI Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/172 dated 19 October 2023, the Company has not made 25% of the incremental borrowings which amounts to Rs. 35.85 million, by way of issuance of debt securities during the financial year 2023-24 due to the following reasons:

i) The amount of borrowing required to be raised through debt securities is too insignificant.

ii) The cost of raising funds through debt securities for this small amount is not competitive.

63. Figures of previous year have been regrouped/ reclassified, wherever necessary, to correspond with the figures of the current period. The impact of such regrouping/ reclassification is not material to these consolidated financial statements.

64. The consolidated financial statements were approved for issued by the Board of Directors of the Holding Company on 13 May 2024.

65. The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall only use such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such change were made and ensuring that the audit trail cannot be disabled. The new requirement is applicable with effect from the financial year beginning on 1 April 2023.

During the current year, the audit trail (edit logs) feature for any direct changes made at the database level was not enabled for the accounting software SAP ECC used for maintenance of books of account of the Holding Company and one subsidiary ('SPR Engenious Limited'). However, the audit trail (edit log) at the application level for the accounting software were operating for all relevant transactions recorded in the software.

SPR EMF Innovations Private Limited (step-down subsidiary) has used Tally Prime Gold Release 4.0 upto 9 February 2024 and SPR Takahata Precision India Private Limited (step-down subsidiary) has used Tally Prime 2.1 upto 24 April 2023 as their accounting software for maintaining their respective books of account, however, the audit trail (edit log) feature was not enabled.

Subsequently, both the subsidiaries have migrated to Tally Prime Edit Log 4.0, which includes audit trail (edit log) feature for recording all relevant transactions.

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 13 May 2024

NOTES

NOTES

Awards and Accolades



TPM Excellence Award -
Ghaziabad & Pathredi Plants
(JIPM, Japan)



Atmanirbhar Award
for Excellence in Export
(ACMA)



Atmanirbhar Award
for Excellence in NPDD & Localisation
(ACMA)



"Gold Trophy" for Export Excellence
Top Exporter Delhi, Non-MSME
(FIEO)





Award for Superior Performance
in Part Design & Development
(Maruti Suzuki India Ltd.)



Gold Award for Quality
(Bajaj Auto Ltd.)



Award for Excellent Performance
and Contribution in Quality,
Delivery and Continual Improvement
(Mitsubishi Heavy Industries -
VST Diesel Engines Pvt. Ltd.)



Award for Excellence in
Quality & Delivery
(Honda India Power Products Ltd.)



Award for
Best Performance in Quality
(Ashok Leyland Ltd.)



Award for Outstanding Contribution in
Overall Quality Excellence
(VE Commercial Vehicles Ltd.)

Awards and Accolades



ACMA Excellence Award
(ACMA)



Appreciation Award
(HYUNDAI)



EEPC India Quality Award
(EEPCINDIA)



Best Delivery Award
(Escorts Kubota)



Mr. Krishnakumar Srinivasan, MD & CEO, SPRL recieving the Award
(Maruti)



JIPM TPM Excellence Award
(Bajaj)



Award for Delivery Management
(Honda)



Spl. Trophy for Excellece in Exports of MEIS Items
(EEPCINDIA)



NPD Partnership Award
(Kirloskar Oil Engines)



Award for Supplier Quality in Best Quality Performance
(ISUZU)



Platinum Award for Quality
(Bajaj Auto Ltd.)



TPM Excellence Award
(JIPM, Japan)

SEL
SPR Engenious Ltd.

About
SPR Engenious Ltd.

SPR Engenious Limited (SEL), is a wholly owned subsidiary of Shriram Pistons & Rings Limited (SPRL), pioneers in India's auto component manufacturing sector. Established by SPRL to spearhead diversification and innovation, SEL is poised to drive future growth initiatives. Committed to expanding both existing and new product lines, SPRL aims to enrich its portfolio. Recently, SPRL, via SEL, finalized strategic acquisitions of SPR EMF Innovations Pvt. Ltd. and SPR Takahata Precision India Pvt. Ltd. These endeavors underscore SPRL's dedication to evolution and excellence, cementing its position as an industry leader committed to innovation and expansion.



SHRIRAM®

SPR-emf INNOVATIONS
Moving The Future



About
SPR EMF Innovations

SPR EMF Innovations Pvt. Ltd. (SPR EMFI) is a young Technology Company co-founded by engineering entrepreneurs with substantial R&D and Manufacturing operations in Coimbatore, Tamil Nadu, and Singapore, thereby providing localized e-mobility solutions to customers in India and abroad. Shriram Pistons and Rings Ltd (SPRL) is now the majority shareholder in SPR EMFI post the majority share acquision in SPR EMFI through its wholly owned subsidiary SPR Engenious Ltd. With the Majority shareholding, SPRL aims to expand its presence in Electric Vehicle (EV) space to supply Electric Powertrain Components such as Motor & Controller covering all the vehicle segments from Two Wheelers, Three Wheelers, Passenger Vehicles, Commercial Vehicles and Buses to both domestic and global clients in the automotive and industrial sectors.



Hub Motor



Mid-Mount Motor



Controller

ELECTRIC MOTOR & CONTROLLER RANGE : 250W ~ 300KW

TYPE OF MOTORS

- HUB Motors
- Mid Drive Motors

TECHNOLOGIES

- **BLDC-** Brushless Direct Current Motor
- **PMSM-** Permanent Magnet Synchronous Motors
- **IPM-** Interior Permanent Magnet Motor
- **SRM-** Switch Reluctance Motors

APPLICATIONS

- E-Bike (e-cycle)
- 2 Wheeler
- 3 Wheeler
  - Passenger
  - Cargo
- 4W
  - Passenger Vehicles
  - Light Commercial Vehicle
  - Medium Commercial Vehicle
- Commercial Vehicles
  - Electric Bus
  - Electric Trucks
- Brake Motors
- Pump Motors
- Compressor Motors

COMING SOON

- Boat Motor
- Drone Motor
- Axial Flux Motor



E-Bike
250 - 350 w



Two Wheeler
2 - 10 kw



3 W / Pass / LCV
4 - 18 kw



Cargo 3 Wheeler
5 - 15 kw



Passenger car
15 - 60 kw



Cargo vehicle
15 - 45 kw



Bus platform
60 - 120 kw



Medium & Heavy trucks
150 - 300 kw

SHRIRAM®

SPR TAKAHATA

About SPR Takahata Precision India Pvt. Ltd.

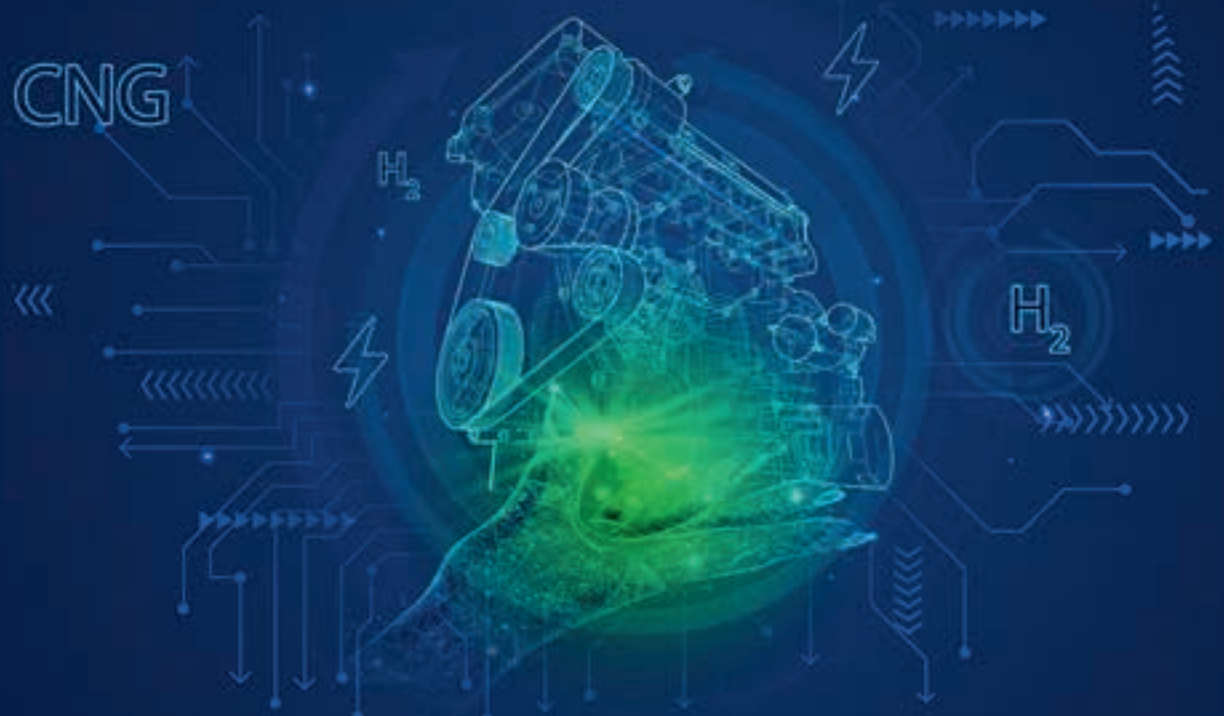
SPR Takahata Precision India Pvt. Ltd. (SPR TPIL) is the leading precision engineering company engaged in the manufacturing of precision moulded/assembled parts and precision metal moulds located at Neemrana, Rajasthan. Shriram Pistons & Rings Limited (SPRL) acquired (through its subsidiary, SPR Engenious Ltd.) a majority stake in SPR Takahata Precision India Pvt. Ltd. With this strategic investment, SPRL aims to diversify its product portfolio beyond the current Pistons, Piston Rings, Engine Valves and EV components to precision plastic injection moulded parts. With the operations & technology support of Takahata Japan to SPR TPIL, we will be able to service the domestic and global customers requiring precision moulded parts both for automotive & industrial applications. The product range of SPR TPIL includes Power Window Parts, Wiper Motor Parts, Door Lock Parts, Seat Belt Parts, Junction & Relay Box, Fuel Pump Module, Throttle Sensor, ECU, Steering Part, Head Lamp Unit Assembly, Case Parts, Starter Motor, Steering Parts, Air/C Parts, Brake Unit Assembly and Accelerator Pedal Sensor. Major customers include: Hitachi Astemo, Denso, Mitsubishi Electric etc.





SHRIRAM®

SHRIRAM PISTONS & RINGS LTD.



PIONEERING SUSTAINABLE TECHNOLOGY
FOR A SELF-RELIANT INDIA

For over 50 years, SPRL has been a trusted leader in technology, drawing on its exceptional lineage of the Shriram Group. As a frontrunner in sustainable business practices, we are constantly innovating and expanding our horizon. Our success is driven by a key principle: Developing indigenous R&D, Manufacturing & Sourcing. This commitment to LOCAL is not just good business, it's the foundation for a self-reliant India; a core pillar of the Atma Nirbhar Bharat vision.

COMPANIES IN GROUP

SHRIRAM PISTONS & RINGS LTD.

Shriram Pistons & Rings Ltd. is one of India's most recognized Auto component manufacturing company.

SPRL has the capability to provide end to end solution to it's customers which includes design, Develop, Validate & Manufacture products for its customers.



SPR Takahata Precision India Pvt. Ltd.

SPR Takahata Precision India Pvt. Ltd. is a leading precision engineering company engaged in the manufacturing of Precision Moulded/ Assembled parts and Precision metal moulds.



SPR EMF Innovations Pvt. Ltd.

SPR EMF Innovations Pvt. Ltd. is a young Technology company specializing in Electric Motors & Controllers ranging from 250W ~ 300KW with substantial R&D & Manufacturing operations in Tamilnadu & Singapore.



SPR Engenious Limited

SPR engenious Ltd. is the wholly owned subsidiary of SPRL to spearhead diversification & Innovation, SEL is poised to drive future growth initiatives.

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For more details, Please visit Website | Scan for Facebook | Scan for LinkedIn