RENOLD

Renold Chain India Private Limited
14th Annual Report

Re-engineering our future.

Continuing
Our Progress.

CORPORATE INFORMATION

BOARD OF DIRECTORS

S Ramachandran

Michael Peter Wallwork

James Robert Haughey

CHIEF FINANCIAL OFFICER

Rakesh Kailash Sharma

COMPANY SECRETARY

T Vinothkumar

AUDITORS

Deloitte Haskin & Sells LLP

BANKERS

The Federal Bank Limited

State Bank of India

HDFC Bank Limited

HSBC Limited

Punjab National Bank

REGISTERED OFFICE

SF 568/1A, 569/1&2, D. Gudalur Post

Guziliamparai Taluk

Dindigul 624 620

CIN: U27109TZ2008FTC017737

CONTENTS

14TH ANNUAL GENERAL MEETING

DATE	: 30.11.2022
DAY	: Wednesday
TIME	: 10:00 Hrs
VENUE	: Renold Chain India Private Limited D. Gudalur, Guziliamparai Taluk Dindigul 624620

RENOLD

Renold Chain India at a Glance

Who we are

Renold India manufactures and sells Transmission and conveyor chains which caters the need of the sectors which includes textiles, railways, food, cement, oil, agricultural, sugar etc.

Renold India is a part of Renold Group. Its equity share capital is held by Renold International Holding Limited, UK (ultimately held by Renold Plc UK) and Renold PLC, U.K. Renold India is a wholly owned subsidiary of Renold PLC.

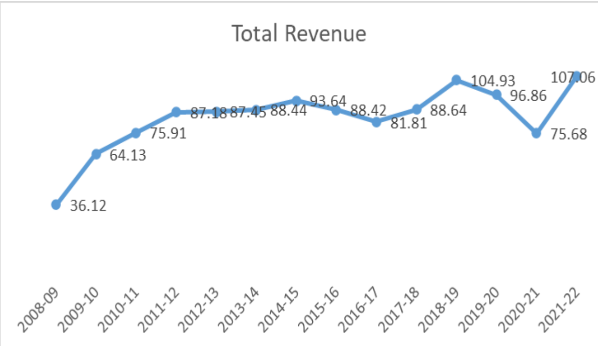
Renold Plc, UK is an international engineering group and produces a wide range of precision engineering products. It is engaged in the manufacture and sale of industrial chains and torque transmission products.
Renold India is uniquely positioned to offer global experience and local expertise to meet the demands of the Indian market for technically superior products at competitive prices.

What we do

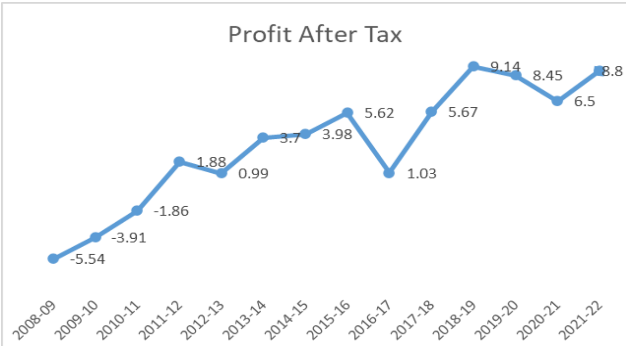
We work closely alongside our customers to design and manufacture industrial chains and provide solution to specific application needs. Our solution delivers excellent fatigue life, consistent reliability and long life demanding industrial applications. We are committed to focus on improving existing or developing new ways of doing business that will reduce our environmental foot print and increase our positive social impact.

FINANCIAL HIGHLIGHTS

Total Revenue (Net) – Rs. In Crores



Profit After Tax (PAT) – Rs. In Crores



NOTICE

NOTICE is hereby given that the **14th Annual General Meeting** of the Company will be held at shorter notice on Wednesday, the 30th day of November 2022 at 10:00 Hrs IST at the Registered Office of the Company at 568/1A, 569/1&2, D.Gudalur Post, Guziliamparai Taluk, Dindigul District – 624 620, Tamilnadu to transact the following businesses:

ORDINARY BUSINESS

Item No. 1 – Adoption of Audited Financial Statements

To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2022 together with the reports of the Board of Directors and Auditors thereon.

Item No 2 – Appointment of Mr B Venkateswar, Cost Accountant, the Cost Auditor of the Company for the Financial Year 2022-23 and to fix remuneration and in this regard pass with or without modification (s), the following resolution as an ordinary resolution.

To Consider and thought fit, to pass the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to section 148 and other applicable provision if any of the Companies Act, 2013 and Rules made thereunder (including statutory modification(s) or re-enactment(s) thereof for the time being in force) Mr B Venkateswar, Cost Accountant be and is hereby appointed as the Cost Auditor of the Company for the financial year ending 31st March 2023 at a remuneration of Rs.40,000/- (Rupees Forty Thousand only) plus taxes and reimbursement of out of pocket expenses incurred in connection with cost audit be and is hereby ratified.

NOTES:

1. A member entitled to attend and vote at the annual general meeting (“the meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company. A blank proxy form for the AGM is enclosed herewith. The instrument appointing the proxy should, however, be deposited at the registered office of the company or at the Venue of the Meeting before the scheduled time of the commencement of the meeting.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send the company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.

3. Shareholders/proxies /authorized representatives should bring the duly filled attendance slip enclosed herewith to attend the Annual General Meeting.

4. Pursuant to Section 101 of the Companies Act, 2013, shareholders have to submit consent to hold the Annual General Meeting at a shorter notice. Format of consent for shorter notice is annexed herewith and forms a part of this notice. Shareholders/authorized representatives are requested to submit the duly filled consent for shorter notice prior to the date of the Annual General Meeting.

Date: 29.11.2022 By Order of the Board of Directors
Place: Dindigul S. Ramachandran
Managing Director
DIN No 03535894

DIRECTORS' REPORT

Dear shareholders

Your Directors take pleasure in presenting the 14th Annual Report of your Company together with the audited accounts for the year ended 31st March 2022.

COMPANY SPECIFIC INFORMATION

FINANCIAL RESULTS

The Summary of the financial performance of the company for the year ended 31st March 2022 as compared to the previous year is as below:

All amounts are in Lakhs of Indian Rupees

Particulars	31-03-2022	31-03-2021
Total Revenue	**10,737**	**7,676**
Profit before interest, depreciation & tax	1,412	1,111
Less: Depreciation and amortization Expenses	237	237
Less: Finance Cost	0	3
Profit Before Tax	**1175**	**871**
Less: Tax Expenses		
(a) Current Tax	**320**	**223**
(b) Deferred Tax	**(23)**	**(2)**
Other comprehensive income	(13)	9
Profit after Tax & comprehensive income	**864**	**659**
Earnings per Equity Share (face value of share Rs.10)	**0.03**	**0.02**

OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE

Total Revenue from operations increased to Rs. 107.06 crores as against Rs.76.76 Crores in the previous year, there by registering the growth of 40%.

The Profit after tax for the current year is Rs. 8.64 Crores as against Rs.6.59 Crores in the previous year.

TRANSFER OF PROFIT TO RESERVES

The Board of Directors has decided to retain the profit in the Profit and Loss Account and hence no amount has been transferred to reserves.

DIVIDEND

Considering the continuous investments in capital expenditure which has been estimated for the financial year 2022-23, your Directors regret their inability to recommend the dividend for the financial year 2021-22.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to section 125 of the Companies Act 2013, there is no unpaid or unclaimed fund in the Company to be transferred to IEPF.

MATERIAL CHANGES AFFECTING THE COMPANY

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2021-22 and the date of this report.

CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of business of the Company.

CAPITAL AND DEBT STRUCTURE

SHARE CAPITAL

The Authorised Share capital of the Company as at 31st March 2022 was Rs 41 Crores comprising of 4,10,00,000 equity shares of ₹.10/- each. The issued, subscribed and paid up share capital of the company as at 31st March, 2022 stood at Rs.30.75 Crores comprising of 3,07,50,000 equity shares of ₹10/- each . During the year under review the company has not made any fresh issue of shares.

There was no public issue, right issue, bonus issue or preferential issue, etc. during the year under review. The company has not issued shares with differential voting rights, sweat equity shares, neither has it granted any employee stock option nor issued any convertible securities.

MANAGEMENT

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment of Mr James Robert Haughey as Director of the Company

The Board of Directors at their meeting held on 27th September 2021 has given their consent to Propose and to recommend Mr James Robert Haughey as a Director of the Company in the Annual General meeting of the Company.

The Shareholders at their meeting held on 29th September 2021 has appointed Mr James Robert Haughey as a Director of the Company with effect from 29th September 2021 and appropriate resolution has been passed.

Key Managerial Personnel

Mr S Ramachandran (Managing Director), Mr Rakesh Kailash Sharma (Chief Financial Officer) and Mr T Vinothkumar (Company Secretary) are the Key Managerial Personnel of the Company in accordance with the provision of sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

DIRECTORS LIABLE TO RETIRE ROTATION

Being a Private Limited Company Provisions of Section 152 (6) pertaining to the retirement of Directors by rotation at the Annual General Meeting does not apply to our company.

DECLARATION OF INDEPENDENT DIRECTORS

Being a Private Limited Company Provisions of Section 149 pertaining to the appointment of Independent Directors does not apply to our company.

BOARD MEETING

The Company had conducted 4 Board Meetings during the financial year and the date on which the Board Meetings were conducted is given below.

The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

S. No	Date of Board Meeting	Mode of Board Meeting
1	20.05.2021	Virtual Mode
2	13.08.2021	Virtual Mode
3	27.09.2021	Virtual Mode
4	11.01.2022	Virtual Mode

During the year, all the Directors, Chief Financial Officer and the Company Secretary have attended the Board Meeting dated 20.05.2021 through video conference mode. However, the Managing Director of the Company, Chief Financial Officer and the Company Secretary has attended all other Board Meetings from the Registered office of the Company.

EVALUATION OF BOARD’S PERFORMANCE

Section 134 (3) (p) of the Companies Act, 2013 as well as Rule 8 (4) of the Companies (Accounts) Rules, 2014 is not applicable to the Company.

SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Meeting of Board of Directors (SS-1) and General Meetings (SS-2).

COMMITTEES

AUDIT COMMITTEE AND VIGIL MECHANISM

The provisions of section 177(1) of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its powers) Rules, 2014 is not applicable to the Company.

The provisions of section 177 (9) relating to establishment of vigil mechanism is not applicable to the company.

Pursuant to Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its powers) Rules, 2014, we nominate Mr S Ramachandran to play the role of Audit Committee for the purpose of Vigil Mechanism to whom other directors and employees may report their concerns.

NOMINATION AND REMUNERATION COMMITTEE

Being a Private Limited Company, the provisions of Section 178 (1) relating to constitution of Nomination and Remuneration committee are not applicable to the Company and hence the company has not devised any policy relating to appointment of directors, payment of Managerial Remuneration, Directors Qualification, positive attributes, independence of Directors and other related matters as provided under section 178 (3) of the Companies Act, 2013.

None of the employees is in receipt of remuneration of Rupees Eight Lakhs Fifty Thousand per month and Rupees One Crore Two Lakhs per annum during the financial year under review.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to Section 135 (9) of the Companies Amendment Act, 2020, as the CSR amount spent by the Company does not exceed the amount of 50 Lakhs rupees and hence the functions of the CSR committee shall be discharged by the Board of Directors of the Company.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (C) read with section 134 (5) of the Companies Act, 2013 the Directors, to the best of their knowledge and belief, based on the information and explanations obtained by them, confirm that:

i. In the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards had been followed with proper explanation relating to material departures;

ii. The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the year and of the profit and loss of the company for that period;

iii. Directors had taken Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

iv. The Directors had prepared the annual accounts on a going concern basis;

v. The Directors has devised Proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

vi. The Directors has laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively.

ADEQUACY OF INTERNAL FINANACIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has implemented and evaluated the Internal Financial Controls which provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes and policies, safeguarding of assets, prevention and detection of frauds, accuracy and completeness of accounting records.

The Directors and Management confirm that the Internal Financial Controls (IFC) are adequate with respect to the operations of the Company. A report of Auditors pursuant to Section 143(3) (i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditors report.

FRAUDS REPORTED BY AUDITORS

Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143 (12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force.

DISCLOSURES RELATING TO SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANIES

During the year under review none of the company became the subsidiary or joint venture or an associate company of your company and vice versa.

REPORT OF FINANCIAL POSITION OF EACH OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Pursuant to the Companies (Accounts) Rules, 2014 the company neither has any subsidiaries, Associates nor has entered into any form of joint venture for the relevant year.

DETAILS OF DEPOSITS

During the year under review, your company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules,2014 (including any statutory modification(s) or re-enactment(s) for time being in force) and as such, no amount of Principal or interest was outstanding as of the Balance sheet date.

During under the review, your Company has not received any amount as deposits from any of the Director of the Company or relative of the Director of the Company.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

There were no loans and no guarantees were given by the Company as mentioned under section 186 of the Companies Act, 2013 during the financial year 2021-22.

The company has not made any investments during the year under review and the investments made in earlier years has been disclosed under the relevant notes to the financial statements.

RELATED PARTY TRANSACTIONS

During the financial year 2021-22, your company has entered into transaction with related parties as defined under section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definition Details) Rules, 2014 all of which were in the ordinary course of business and on arm's length basis and in accordance with the provisions of Companies Act, 2013. All the transactions were reviewed and approved by the Board of Directors.

The details of related party transactions as per Accounting Standard 18 are set out in the Notes to the Financial Statements forming part of this report.

The material transactions during the year are reported in Form AOC.2.

The Form AOC-2 pursuant to section 134(3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out in the **Annexure B** to this report.

CORPORATE SOCIAL RESPONSIBILITY

The Company is bound to spend INR 22.54 Lakhs towards Corporate Social Responsibility activities during the financial year 2021-22 and against which the company has spent INR 22.60 Lakhs.

The Company's CSR policy statement and annual report on CSR activities undertaken during the financial year ended 31st March 2022, in accordance with section 135 of the Companies Act,2013 and companies (Corporate Social Responsibility policy) Rules,2014 is annexed to this report as **Annexure C.**

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

We continue with our initiatives to save energy wherever possible.

Energy Conservation

Your Company continues to give priority to conservation of energy on an ongoing basis. This includes reviewing the running time of the production equipment to avoid waste and minimizing the diesel generator sets wherever possible.

Technology Absorption

There is ongoing technology absorption towards development in increasing the resistance of chain, upgradation of design and development with upgraded software.

Research and Development

Your company continues to accord top priority to research and development activity which is a continuous ongoing process.

Foreign Exchange Earning and Outgo

I. Foreign Exchange earned during the year amounts to : Rs. 28,15,79,840

II. Foreign Exchange used : Rs. 3,43,83,102

RISK MANAGEMENT POLICY

The Company has a well-defined process to ensure risks are identified and steps to treat them are put in place at the right level in the management. The operating managers are responsible for identifying and putting in place mitigation plan for operational and process risks. Key strategic and business risks are identified and managed by the senior leadership team in the organisation. There are no risks which in the opinion of the Board threaten the existence of the Company.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE FORUM

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

AUDITORS

STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the act and rules there under, M/s. Deloitte Haskin & Sells LLP (Firm Registration No: 117366w/w-100018) were reappointed as the statutory auditors of the company at the Annual General Meeting held on 30th September 2020, to hold office till the conclusion of the Annual General Meeting to be held in the year 2025.

Further, there are no qualifications, reservations or adverse remarks or disclaimers made by M/s.Deloitte Haskin & Sells., the statutory auditors in their audit report for the year ended 31st March 2022.

COST AUDITOR

Pursuant to the provisions of section 148 of the companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, it is mandated for the Company to maintain the Cost records and accordingly such accounts and records are made and maintained in the prescribed manner for the financial year 2021-22.

As the company's turnover has crossed 100 crores during the financial year 2021-22, cost audit has become mandated for the company from the financial year 2021-22. The Board of Directors of the Company, has appointed Mr. B. Venkateswar Cost Accountants, (Firm Registration No. 100753) as the Cost Auditor of the Company to conduct the cost audit for the financial year 2022-23. The Board of Directors has fixed the remuneration for the cost audit at Rs. 40,000/- (excluding taxes & out of pocket expenses) subject to the ratification by the members of the company at the ensuing Annual General Meeting of the Company.

Mr B Venkateswar being eligible, have consented to act as the Cost Auditor of the Company for the financial year 2022-23.

SECRETARIAL AUDITOR

Being a private limited company, the provisions of section 204 of the Companies Act, 2013 is not applicable to the company and hence the company has not appointed any secretarial auditor for the year 2021-22.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of Annual Return as on 31st March, 2022 in Form MGT – 9 in accordance with section 92 (3) of the companies act, 2013 read with Companies (Management and Administration) Rules, 2014 are set out herewith as **Annexure A** to this report.

DISCLOSURES PERTAINING TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a policy on prevention of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Prevention of Sexual Harassment of Women at Workplace Act") and Rules framed thereunder and an internal complaints committee has also been set up to redress complaints received regarding sexual harassment.

During the year under review there were no cases filed pursuant to the Sexual Harassment at Workplace (Prevention, prohibition and Redressal) Act, 2013. The company's annual report on Policy on Prevention of Sexual Harassment at Workplace is annexed to this report in **Annexure D**.

OTHER DISCLOSURES

GENERAL INFORMATION

QUALITY

The company continues to attach great importance in the Quality of its products and its pursuit for perfection in its direction is an ongoing process. The company is aware of the need to globalize its business and as an integral part of its goal, concentrates its efforts towards conducting training programme on quality aspects for personnel from various departments of the company, thereby enabling the company to conform to international standards and making its product readily acceptable in the International Markets.

INDUSTRIAL RELATIONS

Your Company has always considered its workforce as its valuable asset and continues to invest in their excellence and development programs. Your company has taken several initiatives for enhancing employee engagement and satisfaction.

HUMAN RESOURCE

Your Company Firmly believes that employees are its most valued resource and their efficiency plays a key role in achieving defined goals and building a competitive work environment. Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programmes which has helped the Organization achieve higher productivity levels. In its pursuit to attract, retain and develop best available talents, several programmes are regularly conducted at various levels across the Company. Employee relations continued to be cordial and harmonious across all levels and at all the units of the Company.

MIGRATION OF ERP

At present, the company operates in SAP, an ERP system wherein all of its accounting records are stored in electronic form. Renold group wants to have a common ERP platform across all of its group companies. Hence, it has been decided to migrate from SAP to M3 software and the migration is under progress and it is expected to be completed before the end of the current Financial year.

COMBATTING COVID 19

Apart from the protocols mandated by the Government in relation to maintaining safe working environment amidst COVID 19 pandemic, your company was instrumental in conducting vaccination drive and continued collaboration with Governmental Authorities in getting its employees vaccinated. The vaccination drive has immensely helped in reducing the risk on the campus. Amongst a host of other mandatory protocols, your company actively engaged the employees by imparting wellness training and awareness to all employees about “Do’s and Don’ts”; awareness board on the COVID 19 information across the premises; building new protocols for third party entering and exiting out of the campus; regular monitoring of health status of each infected employee and their family members; cross functional team headed by HR Head and EHS to review and monitor the systems and their adequacy from time to time.

ENVIROMENT HEALTH AND SAFETY

The Company carries out activities with due attention to Environment, Health & Safety. The Company focuses on environmental protection, occupational health and safety and strives for the continual improvement in all the above parameters. Each and every employee of the company is educated regarding health & safety policy of the company. The Department Heads and Supervisors ensure adequate safety and security in their respective departments.

The main objective of the safety theme followed at Renold India is to “Be Safe, Act Safe and Think Safe” always. All employees at the factory (including contract labourers) are provided with Helmets, ear buds, gloves, shoes, eye glasses and also fire extinguishment cylinders are made available at all places. This provides an additional layer to ensure that facilities are as safe as possible for every employee.

Some of the initiatives taken in the area of Health & Safety are listed below:

i. The Company continues to move on the health agenda by keeping Occupational Health Centres (OHCs) at its manufacturing plant upgraded and ahead of the regulatory requirements.

ii. A safety program, has been implemented which encompasses safety audits, training & communication, safety systems, incident management, safety campaigns, road safety, industrial Safety, fire safety and electrical safety. Under the programme, the units are graded and an annual award is presented to the winning team.

iii. All the critical safety incidents, if any, are thoroughly investigated. The root cause and the corrective and preventive actions are reviewed and approved by the Management. The implementation of actions is monitored by the Corporate Quality and Safety group.

iv. The Company provides Mediclaim facility under the Group Mediclaim Policy to its on-roll employees.

v. Suitable checks and balances are ensured at each of the units to ensure that wage payments statutory contributions, provision of safety equipment and other such obligations are met by the contractor as per the prescribed laws. The Company employs stringent screening and selection criteria for contractors and ensures the terms of contract clearly stipulate statutory requirements to be followed by them.

vi. Welfare facilities like subsidised food, rest rooms, medical check-up and medical facilities are provided to all employees working in your Company.

ACKNOWLEDGEMENT

Your Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year.

Your Directors sincerely convey their appreciation to employees, shareholders, customers, vendors, bankers, regulatory and Governmental authorities for their continued support.

Date: 11.10.2022	**By Order of the Board** **S. RAMACHANDRAN** **MANAGING DIRECTOR** **DIN NO: 03535894** **Place: Dindigul**	 **MICHAEL PETER WALLWORK** **DIRECTOR** **DIN NO: 07291292** **Place: United Kingdom**

ANNEXURE 'A' TO THE BOARD REPORT

EXTRACT OF ANNUAL RETURN as on the financial year ended 31.03.2022

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT – 9

1. REGISTRATION AND OTHER DETAILS:

i)	CIN	U27109TZ2008FTC017737
ii)	Registration Date	01/05/2008
iii)	Name of the Company	Renold Chain India Private Limited
iv)	Category / Sub-Category of the company	Company having Share Capital
v)	Address of the Registered office and contact details	568/1A, 569/1&2, D.Gudalur, Guziliamparai Taluk, Dindigul – 624 620
vi)	Whether listed company Yes / No	No
vii)	Name, Address and contact details of Registrar and Transfer Agent, if any	Not Applicable

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No	Name and Description of main products / services	NIC Code of the Products/ Service	% to total turnover of the Company
1	Industrial Chains	2814	100%

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

Sl. No	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Renold International Holdings Limited	Not Applicable	Holding	100%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(A)	**Promoter and Promoter Group**									
(1)	**Indian**									
(a)	Individuals/ Hindu Undivided Family	-	-	-	-	-	-	-	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(1)	-	-	-	-	-	-	-	-	-
(2)	**Foreign**									
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	3,07,50,000	3,07,50,000	100	-	3,07,50,000	3,07,50,000	100	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	-	3,07,50,000	3,07,50,000	100	-	3,07,50,000	3,07,50,000	100	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	-	3,07,50,000	3,07,50,000	100	-	3,07,50,000	3,07,50,000	100	-
(B)	**Public shareholding**									

(1)	**Institutions**									
(a)	Mutual Funds/UTI	-	-	-	-	-	-	-	-	-
(b)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(c)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
(2)	**Non-institutions**									
(a)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(b)	Individuals -	-	-	-	-	-	-	-	-	-
	(i) Individual shareholder holding nominal share capital up to Rs. 1 lakh.	-	-	-	-	-	-	-	-	-
	(ii) Individual shareholder holding nominal share capital in excess of Rs. 1 lakh.	-	-	-	-	-	-	-	-	-
(c)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(d)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	NRIs/OCBs	-	-	-	-	-	-	-	-	-
	Clearing Member	-	-	-	-	-	-	-	-	-
	Directors & Relatives	-	-	-	-	-	-	-	-	-
	Hindu Undivided	-	-	-	-	-	-	-	-	-

	Families									
	Trusts	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-
	Total Public Shareholding (B)= (B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
	TOTAL(A)+(B)	-	-	-	-	-	-	-	-	-
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**	-	-	-	-	-	-	-	-	-
	Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
	Public	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	**-**	**3,07,50,000**	**3,07,50,000**	**100**	**-**	**3,07,50,000**	**3,07,50,000**	**100**	**-**

ii) Shareholding of Promoters

	Shareholders Name	**No. of Shares held at the beginning of the year 01.04.2021**			**No. of Shares held at the end of the year 31.03.2022**			**% change in shareholding during the year**
		No. of Shares	% of total Share Of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Share of the Company	% of Shares Pledged / encumbered to total shares	
1	Renold International Holdings Limited	3,07,49,997	100	-	3,07,49,997	100	-	-
2	Renold PLC	3	-	-	3	-	-	-

iii) Change in Promoters' shareholding (Please specify, if there is no change)

Shareholding at the beginning of the year			Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	No Change			
Date/wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc);				
At the end of the year				

iv) Shareholding Pattern of Top Ten Shareholders (Other than directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top Ten Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
Not Applicable				

v) Shareholding of Directors and Key Managerial Personnel

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Michael Peter Wallwork	-	-	-	-
James Robert Haughey	-	-	-	-
S Ramachandran	-	-	-	-
T Vinothkumar	-	-	-	-
Rakesh Kailash Sharma	-	-	-	-

V. INDEBTEDNESS

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

	Secured Loans excluding deposits in Lakhs	Unsecured Loans in Lakhs	Deposits in Lakhs	Total Indebtedness in Lakhs
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid	NIL			
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
Addition				
Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	NIL			
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

VI. A. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sr. No	Particulars of Remuneration	Mr. S Ramachandran Managing Director Amount in Lakhs
1	Gross Salary	68
2	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-
3	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-
4	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-
5	Stock Options	-
6	Sweat Equity	-
7	Commission	-
	- as % of profit	-
	- others, specify….	-
	Others, please specify i. Deferred bonus (pertaining to the current Financial year payable in 2021) ii. Retirals iii. Management incentive Plan for the F.Y 2021-22	 - - 2
	Total (A)	**70**

B. Remuneration to other Directors:

1. Independent Directors

All amounts are mentioned in Lakhs of Indian Rupees

S.No	Particulars of Remuneration	Name of the Directors		Total Amount
		James Robert Haughey	Michael Peter Wallwork	
1	Fee for attending Board/ committee Meetings	-	-	-
2	Commission	-	-	-
3	Others, please specify	-	-	-
Total				

2. Non-Executive Directors

S.No	Particulars of Remuneration	Name of Directors	Total Amount
1	Fee for attending Board/ Committee Meetings	Not Applicable	
2	Commission		
3	Others, please specify		
4	Total (B)(2)		
	Total (B)=(B) (1) + (B)(2)		**0**

C.REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

All Amounts are mentioned in Lakhs of Indian Rupees

S. No	Particulars of Remuneration	Mr. Rakesh Kailash Sharma Chief Financial Officer	Mr. T Vinothkumar Company Secretary
	Gross Salary	23	16
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961		
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961		
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961		
2	Stock Options		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	- others, specify….		
5	Others, Performance Bonus	1	0
	Total	**24**	**16**

VII.PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal; made, if any (give details)
A.COMPANY					
Penalty	NONE				
Punishment					
Compounding					

B.DIRECTORS	
Penalty	NONE
Punishment	
Compounding	
C.OTHER OFFICERS IN DEFAULT	
Penalty	NONE
Punishment	
Compounding	

Date: 11.10.2022	**By Order of the Board**	
	S. Ramachandran **Managing Director** **DIN No. 03535894** **Place: Dindigul**	**Michael Peter Wallwork** **Director** **DIN No: 07291292** **Place: United Kingdom**

ANNEXURE 'B' TO THE BOARD'S REPORT

Form No. AOC.2

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

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis : **NIL**

2. Details of material contracts or arrangements or transactions at arm's length basis:

S.No	Particulars	Details
a)	Name(s) of the related party and nature of relationship	Name : Renold (China) Transmission Products Co Limited Relationship: Fellow Subsidiary Company
b)	Nature of contracts / arrangements / transactions	Purchase and sale of chains and chain Spares
c)	Duration of contracts / arrangements / transactions	One Year
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Prices to be paid shall be competitive and based on prevailing the Market prices
e)	Date(s) of approval by the Board, if any	Date of approval in Board Meeting: 20th May, 2021
f)	Amount paid as advances, if any	NIL

Date: 11.10.2022	**By order of the Board** **S. Ramachandran** **Managing Director** **DIN No: 03535894** **Place: Dindigul**	**Michael Peter Wallwork** **Director** **DIN No: 07291292** **Place: United Kingdom**

ANNEXURE 'C' TO BOARD'S REPORT

Corporate Social Responsibility (CSR) Activities Pursuant to Section 135 of the Companies Act, 2013

1. **Brief Outline on CSR Policy of the Company:**

- In accordance with the CSR Policy of the Company, the CSR initiatives were focussed on the areas of 'Promoting Education'.
- In the area(s) of promoting education, the company would contribute towards facilitating & providing support in developing infrastructure for Government/Government aided schools, conducting education programmes that lead to development of a better community, livelihood, etc.

2. Composition of CSR Committee	Not Applicable
3. Provide the Web-link where the Composition of CSR Committee and CSR Projects approved by the Board are disclosed on the Website of the Company	https://www.renold.in/media/4090342/csr-policy.pdf
4. Provide the details of Impact Assessment of CSR Projects carried out in pursuance of sub rule (3) of rule 8of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)	Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any.	NIL
6. Average net Profit of the Company as per section 135 (5)	₹.11,27,39,032/-
7. (a) Two Percentage of average net profit of the Company as per section 135 (5)	₹.22,54,781

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	NIL
(C) Amount required to be set off for the Financial Year	NIL
(d) Total CSR Obligation for the Financial year (7a+7b-7c)	₹.22,54,781

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

Total Amount Spent for the Financial Year	Amount Unspent in INR				
	Total Amount transferred to unspent CSR Account as per Section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to the section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹22,60,000	NA	NA	NA	NA	NA

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S. No	Name of the Project	Item from the list of activities in Schedule VII of the act	Local Area (Yes/ No)	Location of the Project		Project duration	Amount allocated for the Project (in Rs)	Amount spent in the current financial year (in Rs)	Amount transferred to unspent CSR Account for the project as per section 135 (6) (in Rs.)	Mode of Implementation – Direct (Yes/ No)	Mode implementation through implementing Agency	
				State	District						Name	CSR Registration Number
1	Construction of Toilet for Female students at Guziliamparai Higher Secondary School	Schedule VII (ii)	Yes	Tamil Nadu	Dindigul	One Year (Covers 2 F.Y – 2020-21 2021-22 (Completed)	15,00,00	3,50,000	-	Yes	NA	NA
	Total						15,00,000	3,50,000				

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No	Name of the Project	Item from the list of activities in Schedule VII to the act	Local area (Yes / No)	Location of the Project		Amount spent for the Project	Mode of Implementation – Direct (Yes/ No)	Mode of implementation through implanting Agency	
				State	District			Name	CSR Registration Number
1	COVID Relief Fund to Tamilnadu Disaster Management Authority	Schedule VII (xii)	Yes	Tamil Nadu	Dindigul	19,10,000	Direct	NA	NA
	Total					19,10,000			

(d) Amount spent in Administrative Overheads : NA (e) Amount spent on Impact Assessment, if applicable : NA

(f) Total amount spent for the Financial Year : ₹22,60,000/-
(8b+8c+8d+8e)

(g) Excess amount for set off, if any

S.No	Particular	Amount (in Rs)
(i)	Two percent of average net profit of the Company as per section 135 (5)	22,54,781
(ii)	Total amount spent for the Financial Year	22,60,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	5,219
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	5,219

9. (a) Details of unspent CSR Amount for the preceding three financial years:

<table>
<tr><th rowspan="2">S.No</th><th rowspan="2">Preceding Financial Year</th><th rowspan="2">Amount transferred to Unspent CSR Account under section 135 (6) (in Rs)</th><th rowspan="2">Amount spent in the reporting Financial Year (in Rs)</th><th colspan="3">Amount transferred to any fund specified under schedule VII as per section 135(6), if any.</th><th rowspan="2">Amount remaining to be spent in succeeding financial years. (in Rs)</th></tr>
<tr><th>Name of the Fund</th><th>Amount (in Rs)</th><th>Date of Transfer</th></tr>
<tr><td>1</td><td>2020-21</td><td>NIL</td><td colspan="5" rowspan="4">Not Applicable</td></tr>
<tr><td>2</td><td>2019-20</td><td>NIL</td></tr>
<tr><td>3</td><td>2018-19</td><td>NIL</td></tr>
<tr><td colspan="2">Total</td><td>NIL</td></tr>
</table>

(b) Details of CSR amount Spent in Financial Year for Ongoing Projects of the preceding financial years: ₹11,50,000 for the Construction of Toilet for Female students at Guziliamparai Higher Secondary School.

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

(a) Date of creation or acquisition of capital asset	Not Applicable
(b) Amount of CSR spent for creation or acquisition of capital asset.	Not Applicable
(c) Details of entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc.	Not Applicable
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	Not Applicable

11. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per section 135(5) — Not Applicable

	By order of the Board	
Date: 11.10.2022	**S. Ramachandran** **Managing Director** **DIN No: 03535894** **Place: Dindigul**	**Michael Peter Wallwork** **Director** **DIN No: 07291292** **Place: United Kingdom**

ANNEXURE 'D' TO BOARD'S REPORT

Annual Report on Complaints received by the Sexual Harassment Committee during the Financial Year Ended 31.03.2022

The details of the meeting of the Sexual Harassment Committee, the complaints received are as under:

1. Number of Meeting held during the year : 3
2. Number of complaints received during the year : NIL
3. Number of Complaints disposed off during the year : NIL
4. Number of cases pending for more than 90 days : NIL
5. Number of Awareness Program carried during the year : 01
6. Nature of action taken by the Employer : NIL

No Complaints were received by the Committee or by the HR department during the financial year 2021-2022.

	By order of the Board	
Date: 11.10.2022	**S. Ramachandran** **Managing Director** **DIN No: 03535894** **Place: Dindigul**	**Michael Peter Wallwork** **Director** **DIN No: 07291292** **Place: United Kingdom**

INDEPENDENT AUDITOR'S REPORT

To the Members of Renold Chain India Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Renold Chain India Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director' Report but does not include the financial statements and our auditor's report thereon. The Director's Report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are

required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, that:

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

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

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account

    d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

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

    g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

       In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in Note No.34(d) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, other than as disclosed in Note No.34(e) to the financial statements, no funds have 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 Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

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

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)
P Usha Parvathy
Partner
Membership No.207704

CHENNAI, 15 October 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of **Renold Chain India Private Limited** ("the Company") as of 31 March 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (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 Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm’s Registration No.117366W/W-100018)
P Usha Parvathy
Partner
Membership No.207704

CHENNAI, 15 October 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 state that:

(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Bearer plant, 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) Some of the Property, Plant and Equipment and capital work-in-progress were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment and capital work-in-progress at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties, disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.

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

(ii) (a) The inventories except for goods in transit and stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year end, written confirmations have been obtained and in respect of goods in transit, the goods have been received subsequent to the year-end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories, when compared with the books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs.5 Crore, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, book debt statements and details of creditors filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.

(iii) (a) The Company has provided loans or advances in the nature of loans, during the year and details of which are given below.

(Rs. in Lakh)

Particulars	Loans
A. Aggregate amount granted / provided during the year:	
- Others (Employees)	6.65
B. Balance outstanding as at balance sheet date in respect of above cases:	
- Others (Employees)	-

The Company has not provided any guarantee or security to any other entity during the year.

(b) The terms and conditions of the grant of all the above-mentioned loans, during the year are, in our opinion, *prima facie*, not prejudicial to the Company's interest.

(c) In respect of above-mentioned loans provided by the Company, the schedule of repayment has been stipulated and the repayments are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of above-mentioned loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) According to information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013 and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees State Insurance, Income tax, Customs duty, Cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees State Insurance, Income tax, Customs duty, Cess and other material statutory dues in arrears as at 31 March 2022 for a period of more than six months from the date they became payable except for the following:

Name of the Statute	Nature of the Dues	Amount (Rs. in Lakh)	Period to which the Amount Relates	Due date	Date of Payment
Income Tax Act, 1961	Tax deducted at Source	31.60	2013-14 to September 2017	Various dates	Yet to be paid

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2022 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount (Rs. in Lakh)	Period to which the Amount Relates	Forum where Dispute is Pending
Income Tax Act, 1961	Income Tax	2.09	Financial Year 2012-13	The Commissioner of Income Tax (Appeals)
		0.76	Financial Year 2017-18	CPC, Bengaluru
		187.26	Financial Year 2013-14 to 2016-17	CPC, Bengaluru

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

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

(e) The Company has not made any investment in or given any new loan or advances to any of its subsidiaries during the year. The Company did not have any associate or joint venture and hence, reporting under clause (ix)(e) of the Order is not applicable.

(f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section 12 of section 143 of the Companies Act has been filed in Form ADT 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management there were no whistle blower complaints received by the Company during the year.

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

(xiii) In our opinion, the Company is in compliance with section 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards. The Company is a private company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.

(xiv) In our opinion, the Company is not required to have an internal audit system as per provisions of the Companies Act 2013.

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

(xvi) (a) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a),(b) and (c) of the Order is not applicable.

(b) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

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

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub section 6 of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)
P Usha Parvathy
Partner
Membership No.207704

CHENNAI, 15 October 2022

Renold Chain India Private Limited
Balance sheet as at 31 March 2022
All amounts are in Rs. Lakh unless otherwise stated

	PARTICULARS	Note No.	As at 31 March 2022	As at 31 March 2021
	ASSETS			
	Non-Current Assets			
a)	Property, Plant and Equipment	3	1,791.14	1,960.59
b)	Capital work-in-progress	3	816.52	681.73
c)	Intangible assets	4	2.32	3.18
d)	Financial assets			
	i) Non-current Investments	5(a)	14.42	14.42
	ii) Other financial assets	5(b)	65.74	65.97
e)	Other non-current assets	6	51.82	29.57
f)	Income tax assets (net)	10	301.35	4.79
	Total		**3,043.31**	**2,760.25**
	Current assets			
a)	Inventories	7	2,381.72	1,784.66
b)	Financial assets			
	i) Trade receivables	8	1,421.56	1,102.82
	ii) Cash and cash equivalents	9	684.67	721.92
	iii) Bank balances other than ii) above	9	10.59	8.75
	iv) Other financial assets	5(b)	32.79	32.54
c)	Other current assets	6	51.42	120.28
	Total		**4,582.75**	**3,770.98**
	TOTAL ASSETS		**7,626.06**	**6,531.23**
	EQUITY AND LIABILITIES			
	EQUITY			
a)	Equity share capital	13	3,075.00	3,075.00
b)	Other equity	14	2,184.89	1,320.41
	Total		**5,259.89**	**4,395.41**
	LIABILITIES			
	Non-current liabilities			
a)	Financial liabilities			
	i) Other financial liabilities	16	-	83.15
b)	Deferred tax liabilities (net)	11	22.55	49.74
	Total		**22.55**	**132.89**
	Current Liabilities			
a)	**Financial liabilities**			
	i) Trade payables	15		
	- total outstanding dues of micro enterprises and small enterprises		89.44	7.17
	- total outstanding dues of creditors other than micro enterprises and small enterprises		1,625.44	1,678.73
	ii) Other financial liabilities	16	184.14	65.02
b)	Other current liabilities	18	134.62	231.00
c)	Provisions	17	30.48	21.00
d)	Income Tax Liabilities (net)	10	279.50	-
	Total		**2,343.62**	**2,002.92**
	Total Liabilities		**2,366.17**	**2,135.81**
	TOTAL EQUITY AND LIABILITIES		**7,626.06**	**6,531.22**
	Significant Accounting Policies	2		

The accompanying notes are an integral part of these financial statements

In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants
P Usha Parvathy
Partner

Place: Chennai
Date: 15th October 2022

For and on behalf of the Board of Directors

S. Ramachandran
Managing Director
DIN: 03535894

Michael Peter Wallwork
Director
DIN: 07291292

Rakesh Kailash Sharma
Chief Financial Officer

T. Vinoth Kumar
Company Secretary
FCS No.F10471

Place: Dindigul
Date: 11 October 2022

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Renold Chain India Private Limited

Statement of Profit and Loss for the year ended 31 March 2022

All amounts are in Rs. Lakh unless otherwise stated

S. No.	Particulars	Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
	REVENUE:			
I	Revenue from operations	19	10,706.08	7,568.06
II	Other income	20	30.71	108.30
III	**Total Income (I+II)**		**10,736.79**	**7,676.36**
IV	**EXPENSES:**			
	Cost of raw material and components consumed	21(a)	5,595.92	3,035.41
	Purchases of stock in trade		675.56	0.00
	Changes in inventories of finished goods and work-in-progress.	21(b)	-803.70	407.57
	Employee benefit expense	22	1,190.97	908.36
	Finance costs	23	0.37	3.07
	Depreciation and amortization expense	24	237.36	237.19
	Other expenses	25	2,665.48	2,213.57
	Total expenses		**9,561.96**	**6,805.17**
V	**Profit before tax (III - IV)**		**1,174.83**	**871.19**
VI	**Tax expense**			
	a) Current tax	26	320.28	222.56
	b) Deferred tax	26	-22.85	-1.50
	Total tax expense (net)		**297.43**	**221.06**
VII	**Profit for the year (V - VI)**		**877.40**	**650.13**
VIII	**Other comprehensive income**			
	A. Items that will not be reclassified to profit or loss			
	(i) Remeasurements of the defined benefit plans		-17.27	12.32
	(ii) Income tax relating to items that will not be reclassified to profit or	26	4.35	-3.10
	B.Items that will be reclassified to profit or loss		-	-
	Total other comprehensive income		**-12.92**	**9.22**
IX	**Total comprehensive income for the year (VII + VIII)**		**864.49**	**659.35**
	Earnings per equity share (Face value of Rs. 10/-)			
	a) Basic (in Rs.)	27	2.85	2.11
	b) Diluted (In Rs.)	27	2.85	2.11
	The accompanying notes are an integral part of these financial statements			

In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants
P Usha Parvathy
Partner

Place: Chennai
Date: 15th October 2022

For and on behalf of the Board of Directors

S. Ramachandran
Managing Director
DIN: 03535894

Michael Peter Wallwork
Director
DIN: 07291292

Rakesh Kailash Sharma
Chief Financial Officer

T. Vinoth Kumar
Company Secretary
FCS No.F10471

Place: Dindigul
Date: 11 October 2022

Renold Chain India Private Limited
Cash Flow Statement for the year ended 31 March 2022
All amounts are in Rs. Lakh unless otherwise stated

Sl. No.	Particulars	Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**			
	Profit for the year		**877.40**	**650.13**
	Adjustment for :			
	Income tax expense recognised in profit or loss	26	297.00	221.06
	Depreciation and amortization expenses	24	237.36	237.19
	Profit on disposal of property, plant and equipment	25	-6.23	-0.06
	Net foreign exchange (gain) on non operating activities		-1.00	-12.36
	Reversal of Provision for doubtful trade receivables	25	-8.61	-19.61
	Provisions no longer required written back	20	0.00	-10.00
	Finance costs recognised in profit or loss	23	0.37	3.07
	Interest income recognised in profit or loss	20	-6.08	-78.63
	Operating profit before working capital changes		**1,390.22**	**990.79**
	Adjustments for (increase) / decrease in:			
	Trade receivables		-308.00	-151.18
	Inventories		-597.06	13.70
	Other financial assets		-0.02	-4.30
	Other assets		46.61	-81.99
	Adjustments for increase / (decrease) in:			
	Trade payables		27.00	-128.95
	Other financial liabilities		35.59	23.64
	Other current liabilities		-113.65	26.25
	Short-term provisions		9.48	-24.30
	Cash generated from operations		**490.17**	**663.66**
	Direct taxes paid		337.30	128.72
	NET CASH GENERATED FROM OPERATING ACTIVITIES		**152.87**	**534.94**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**			
	Payments for property, plant and equipment		-201.00	-99.06
	Proceeds from disposal of property, plant and equipment		6.23	31.06
	Interest received		6.08	78.63
	Bank balances not considered as cash and cash equivalents	9	-1.84	31.65
	NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES		**-190.53**	**42.28**
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**			
	Dividend paid		-	-1,716.85
	NET CASH USED IN FINANCING ACTIVITIES		**0.00**	**-1,716.85**
	NET CASH FLOWS DURING THE YEAR (A+B+C)		**-37.66**	**-1,139.63**
	Cash and cash equivalents (opening balance)	**9**	**721.92**	**1,861.55**
	Cash and cash equivalents (closing balance)	**9**	**684.26**	**721.92**

In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants
P Usha Parvathy
Partner

Place: Chennai
Date: 15th October 2022

For and on behalf of the Board of Directors

S. Ramachandran
Managing Director
DIN: 03535894

Michael Peter Wallwork
Director
DIN: 07291292

Rakesh Kailash Sharma
Chief Financial Officer

T. Vinoth Kumar
Company Secretary
FCS No.F10471

Place: Dindigul
Date: 11 October 2022

Renold Chain India Private Limited

Statement of Changes in Equity for the year ended 31 March 2022
All amounts are in Rs. Lakh unless otherwise stated

A. Equity Share Capital

Particulars	Amount
Balance as at 31 March 2020	**3,075.00**
Changes in Equity Share capital during the y	-
Balance as at 31 March 2021	**3,075.00**
Changes in Equity Share capital during the y	-
Balance as at 31 March 2022	**3,075.00**

B. Other Equity

Particulars	Reserves and Surplus	Other Comprehensive Income	Capital Redemption reserve	Total
	Surplus in Statement of Profit and Loss	Remeasurement of Defined Benefit Liabilities		
Balance as at 31 March 2020	**1,352.91**	-	**1,025.00**	2,377.91
Profit for the year	650.13	-	-	650.13
(Less): Dividend paid	-1,716.85	-	-	-1,716.85
Remeasurement of Defined Benefit Liabilities	-	9.22	-	9.22
Reclassification (Refer Note below)	9.22	-9.22	-	-
Balance as at 31 March 2021	**295.41**	**-**	**1,025.00**	**1,320.41**
Profit for the year	877.40	-	-	877.40
Remeasurement of Defined Benefit Liabilities	-	-12.92	-	-12.92
Reclassification	-12.92	12.92	-	-
Balance as at 31 March 2022	**1,159.90**	**-**	**1,025.00**	**2,184.90**

Note: In accordance with Notification G.S.R 404(E), dated 6 April 2016, remeasurment of defined benefit plans is recognised as a part of retained earnings.

The accompanying notes are an integral part of these financial statements

In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants
P Usha Parvathy
Partner

For and on behalf of the Board of Directors

S. Ramachandran
Managing Director
DIN: 03535894

Michael Peter Wallwork
Director
DIN: 07291292

Rakesh Kailash Sharma
Chief Financial Officer

T. Vinoth Kumar
Company Secretary
FCS No.F10471

Place: Chennai
Date: 15th October 2022

Place: Dindigul
Date: 11 October 2022

1. General Information

Company Overview:
Renold Chain India Private Limited ('Renold India' or 'the Company') was incorporated on May 1, 2008 in the State of Tamil Nadu, India. The Company is a Subsidiary of Renold International Holdings Limited, United Kingdom ('RIHL') which is owned by Renold PLC, United Kingdom.

The Company is engaged in the manufacture and sale of industrial chains and sprockets within and outside India.

2 SIGNIFICANT ACCOUNTING POLICIES:

2.1 Statement of Compliance with IND AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

2.2 Basis of accounting and preparation of financial statements

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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 in a reasonable and prudent manner. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or a liability if market participants would have those characteristics into account when pricing the asset or a liability at the measurement date. Fair value or measurement and/or disclosure purposes in these separate financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS or value in use in Ind AS 36.

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

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

All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realization/settlement within twelve months period from the balance sheet date.

2.3 Functional and presentation currency:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

2.4 Use of estimates and judgments

In the application of the Company's accounting policies the Management of the Company is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities, revenue and expenses that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

i. Useful lives of Property, Plant and Equipment:
Depreciation and amortization are based on management estimates of the future useful life and residual value of certain class of property, plant and equipment and intangible assets. Useful life and residual value of an asset is determined by the Management at the time an asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

ii. Employee Benefits:
The present value of the employee benefits obligations depends on several factors that are determined on an actuarial basis using several assumptions. The assumptions used in determining the net cost (income) includes the discount rate, wage escalation and employee attrition. Any changes in these assumptions will impact the carrying amount of obligations. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations. Actuarial gains/losses relating to defined benefit obligation is recognized in Other Comprehensive income. The sensitivity analysis for changes in estimates is disclosed under relevant Notes.

iii. Provision and contingencies:
Provisions and contingencies are based on the Management's best estimate of the liabilities based on the facts known at the balance sheet date.

iv. Provision for doubtful receivables
The Company makes provision for doubtful receivables based on a provision matrix which considers historical credit loss experience and adjusted for current estimates.

v. Estimation of net realizable value of inventories:
Inventories are stated at the lower of cost and net realizable value. In estimating the net realizable value of inventories, the Company makes an estimate of future selling prices and cost necessary to make the sale.

vi. Fair valuation:
Fair value is the market-based measurement of observable market transaction or available market information.

vii. Taxes:

Significant judgments are required in determining the provision for taxes including the amount expected to be paid/recovered for uncertain tax positions

2.5 Revenue recognition:

Revenue is measured at the fair value of the consideration received or receivable. The Company recognizes revenue when the amount of revenue can be reliably measured, when it is probable that future economic benefits will flow to the entity, and when specific criteria have been met for each of the Company's activities.

2.5.1 Sale of goods

Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to the customers. Performance obligations in respect of contracts for sale of manufactured and traded goods is considered as satisfied at a point in time when the control of the same is transferred to the customer and where there is an alternative use of the asset, or the company does not have either explicit or implicit right of payment for performance completed till date. In case where there is no alternative use of the asset and the company has either explicit or implicit right of payment considering legal precedents, performance obligation is considered as satisfied over a period and revenue is recognized over time.

2.5.2 Income from services

Commission income is recognized as and when services are rendered as per the terms of the contract

2.5.3 Export Incentive

Benefit on account of entitlement to import goods free of duty under the "Duty Drawback Scheme" is accounted in the year of export.

2.6 Other Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.7 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental expense from operating leases is generally recognized on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

If lease incentives are received to enter operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

2.8 Foreign currencies:

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction or at rates that closely approximate the date of transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange differences

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

2.9 Cash and Cash Equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.10 Cash Flow Statements:

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated

2.11 Borrowing costs:

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest rate method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in statement of profit and loss in the period in which they are incurred.

2.12 Segment Reporting

The information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance is based on types of goods and services. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments based on their relationship to the operating activities of the segment.

Inter-segment revenue is accounted based on transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities.

2.13 Employee benefits

2.13.1 Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement 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 asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or 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 categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements).
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

2.13.2 Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave 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 recognized 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.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.14 Earnings per share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.15 Taxation

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

<u>(i) Current Income taxes</u>

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted and are applicable as at the end of the reporting period.

In the absence of adequate taxable profits, the Company is required to pay Minimum Alternate Tax (MAT) on the book profits, as adjusted for certain provisions.

<u>(ii) Deferred Income taxes</u>

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

MAT paid in accordance with the tax laws, if any, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax. Accordingly, MAT is recognized as a deferred tax asset in the Balance sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

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

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

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

<u>(iii) Current and deferred tax for the year</u>

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

2.16 Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken improves the economic benefits expected to arise from the asset. Items of stores and spares that meet the definition of PPE are capitalized at cost. Otherwise, such items are classified as inventories.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Assets in the course of construction are capitalized in the assets under construction account. At the point when an asset is operating at management’s intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalized where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed. Revenue generated from production during the trial period is capitalized.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

Freehold land and leasehold land where the lease are convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life.

Depreciation is provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets in whose case the life of certain assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support etc.
The useful life considered for the assets is:

i)	Building	- 50 years
ii)	Plant and Machinery	- 10 to 15 years
iii)	Electrical installations	- 15 years
iv)	Office equipment	- 15 years
v)	Furniture and Fixtures	- 15 years
vi)	Computers	- 3 years
vii)	Vehicles	- 4 years

2.17 Intangible Assets

(i) Intangibles assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

(ii) Derecognition of intangible assets

An intangible asset is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal of an intangible asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

(iii) Useful lives of Intangible assets
Estimated useful live of the intangible assets are as follows:
Goodwill – 5 years
Computer Software – 5 years

2.18 Impairment of tangible and intangible assets:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than it is carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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

2.19 Inventories:

Inventories are stated at lower of cost and net realizable value. Cost of inventories is determined on a weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work in progress include cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

Materials and other items 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.

Due allowance is estimated and made by the Management for slow moving/ non-moving inventory wherever necessary, based on the technical assessment and such allowances are adjusted against the closing inventory Value.

2.20 Provisions, contingent liabilities and contingent assets:

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Provision for warranty

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically up to eighteen months.
As per the terms of the contracts, the Company provides post-contract services / warranty support to some of its customers. The Company accounts for the post-contract support / provision for warranty based on the information available with the Management duly considering the current and past technical estimates.

2.21 Financial instruments:

Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instrument.

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

2.22 Financial assets:

2.22.1 Recognition and initial measurement

(i) The Company initially recognizes loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognized on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

(ii) The Company has elected to apply the requirements pertaining to Level III financial instruments of deferring the difference between the fair value at initial recognition and the transaction price
prospectively to transactions entered on or after the date of transition to Ind AS.

(iii) All equity investments are measured at fair value in the balance sheet, with value changes recognized in the Statement of Profit and Loss, except for those equity investments for which the entity has elected to present value changes in 'Other Comprehensive Income'.

(iv) If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognized in the Statement of Profit and Loss.

2.22.2 Classification of financial assets:

On initial recognition, a financial asset is classified to be measured at amortized cost, fair value through other comprehensive income (FVTOCI) or FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy in financial assets measured at amortized cost, refer Note 2.22.5.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognized at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognized in profit or loss for FVTOCI debt instruments. For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previous accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

2.22.3 Effective interest method:

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

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

2.22.4 Financial assets at fair value through profit or loss (FVTPL):

Debt instruments that do not meet the amortized cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortized cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortized cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognized when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.22.5 Impairment of financial assets:

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which considers historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognized in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

2.22.6 Derecognition of financial assets:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized based on the relative fair values of those parts.

2.22.7 Foreign exchange gains and losses:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognized in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income.

2.23 Financial liabilities and equity instruments:

2.23.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.23.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.
Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.23.3 Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.
However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise.
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Companying is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item. The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognized in profit or loss. The remaining amount of change in the fair value of liability is always recognized in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss. Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognized in profit or loss.

Other financial liabilities

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

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

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified party fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognized in profit or loss.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

2.24 Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

2.25 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakh as per requirement of Schedule III of the Act, unless otherwise stated.

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3 Property, Plant and Equipment and Capital Work-in-Progress

Particulars	As at 31 March 2022	As at 31 March 2021
Land	180.61	180.61
Buildings	402.30	404.45
Plant and Machinery	998.31	1,170.10
Electrical Installations	93.88	109.05
Computers	27.72	40.23
Office Equipment	30.54	30.54
Furniture and Fixtures	15.12	14.33
Vehicles	42.66	11.28
	1,791.14	**1,960.59**

Cost (Deemed Cost)	Land	Buildings	Plant and Machinery	Electrical Installations	Computers	Office Equipments	Furniture and Fixtures	Vehicles	Total
Balance at 1 April 2020	**180.61**	**450.22**	**1,886.02**	**148.83**	**141.32**	**46.52**	**19.95**	**57.80**	**2,931.27**
Additions	-	3.07	152.64	-	-	-	-	-	155.71
Disposals	-	-	-235.40	-	-11.53	-	-	-	-246.93
Balance at 31 March 2021	**180.61**	**453.29**	**1,803.26**	**148.83**	**129.79**	**46.52**	**19.95**	**57.80**	**2,840.05**
Additions	-	8.40	15.40	-	2.84	-	0.80	39.62	67.05
Disposals	-	-	-1.35	-	-	-	-	-17.87	-19.21
Balance at 31 March 2022	**180.61**	**461.69**	**1,817.31**	**148.83**	**132.63**	**46.52**	**20.75**	**79.55**	**2,887.89**

Accumulated depreciation and impairment	Land	Buildings	Plant and Machinery	Electrical installations	Computers	Office Equipments	Furniture and fixtures	Vehicles	Total
Balance at 1 April 2020	**-**	**38.46**	**653.52**	**28.99**	**84.29**	**13.13**	**4.23**	**36.14**	**858.75**
Depreciation expense	**-**	10.38	184.04	10.79	16.80	2.85	1.39	10.38	236.63
Eliminated on disposals of assets	-	-	-204.40	-	-11.53	-	-	-	-215.93
Balance at 31 March 2021	**-**	**48.84**	**633.16**	**39.78**	**89.56**	**15.98**	**5.62**	**46.52**	**879.45**
Depreciation expense	**-**	10.55	187.19	15.17	15.35	-	-	8.24	236.50
Eliminated on disposals of assets	**-**	-	-1.35	-	-	-	-	-17.87	-19.22
Balance at 31 March 2022	**-**	**59.39**	**819.00**	**54.95**	**104.91**	**15.98**	**5.62**	**36.89**	**1,096.73**
Carrying amount at 31 March 2022	**180.61**	**402.30**	**998.31**	**93.88**	**27.72**	**30.54**	**15.12**	**42.66**	**1,791.14**
Carrying amount at 31 March 2021	**180.61**	**404.45**	**1,170.10**	**109.05**	**40.23**	**30.54**	**14.33**	**11.28**	**1,960.59**

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

Carrying amount	Land	Buildings	Plant and machinery	Electrical Installations	Computers	Office Equipments	Furniture & Fixtures	Vehicles	Total
Balance at 31 March 2021	**180.61**	**404.45**	**1,170.10**	**109.05**	**40.23**	**30.54**	**14.33**	**11.28**	**1,960.59**
Additions	-	8.40	15.40	-	2.84	-	0.80	39.62	67.05
Disposals	-	-	-	-	-	-	-	0.00	0.00
Depreciation expense	-	-10.55	-187.19	-15.17	-15.35	-	-	-8.24	-236.50
Balance at 31 March 2022	**180.61**	**402.30**	**998.31**	**93.88**	**27.72**	**30.54**	**15.12**	**42.66**	**1,791.14**

Capital work in progress movement	Amount
Balance at 31 March 2020	**745.36**
Additions during the year	58.89
Capitalized during the year	-122.52
Balance at 31 March 2021	**681.73**
Additions during the year	205.78
Capitalized during the year	-70.99
Balance at 31 March 2022	**816.52**

Note:
(i) The Company holds the title deeds of all immovable properties.

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

4 Intangible assets

Carrying amounts	As at	
	31 March 2022	31 March 2021
Computer Software	2.32	3.18
Total	**2.32**	**3.18**

Cost or deemed cost	Computer Software	Total
Balance at 31 March 2020	**6.74**	**6.74**
Additions	1.65	1.65
Disposals	-	-
Balance at 31 March 2021	**8.39**	**8.39**
Additions	-	-
Disposals	-	-
Balance at 31 March 2022	**8.39**	**8.39**

Accumulated depreciation and impairment	Computer Software	Total
Balance at 31 March 2020	**4.65**	**4.65**
Amortization expense	0.56	0.56
Balance at 31 March 2021	**5.21**	**5.21**
Amortization expense	0.86	0.86
Balance at 31 March 2022	**6.07**	**6.07**

Carrying amount	Computer Software	Total
Balance at 31 March 2021	**3.18**	**3.18**
Balance at 31 March 2022	**2.32**	**2.32**

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

5(a) Non-current Investments

Particulars	As at 31 March 2022	As at 31 March 2021
Non-Current		
Unquoted investment in equity shares:		
Investments at fair value through profit or loss		
28800 (31 March 2021 : 28800) Equity shares of Average Price Rs. 50.05 each fully paid in Clean Wind Power (Pratapgarh) Private Limited	14.42	14.42
Total	**14.42**	**14.42**

5(b) Other financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current:		
Security deposits	65.74	65.97
Total	**65.74**	**65.97**
Current:		
Security deposits	2.16	0.15
Export incentive receivable	30.63	32.39
Total	**32.79**	**32.54**

6 Other assets

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current:		
Capital advances	51.82	29.57
Total	**51.82**	**29.57**
Current:		
Prepaid expenses	51.42	33.39
Balances with government authorities	-	85.87
Loans and advances to employees	-	1.02
Total	**51.42**	**120.28**

7 Inventories

Particulars	As at	
	31 March 2022	31 March 2021
Raw materials	988.85	1,195.49
Work-in-progress	763.11	398.50
Finished goods (Refer Note No. 7.1 below)	629.76	190.67
Total	**2,381.72**	**1,784.66**

7.1. Includes stock-in-trade Rs.Nil (31 March 2021: Rs.115.88 Lakh)

Particulars	2021-22	2020-21
The cost of inventories recognised as an expenses during the year	4,792.22	3,442.98
The cost of inventories recognised as an expense, includes write downs of inventory to net realisable value, amounting to	106.06	22.45
The mode of valuation of inventories has been stated in Note 2.19		

8 Trade receivables

Particulars	As at	
	31 March 2022	31 March 2021
(a) Receivables considered good, Unsecured	1,421.56	1,102.82
(b) Receivables which have significant increase in Credit Risk	72.49	81.10
(c) Receivables - Credit impaired	-	-
	1,494.05	**1,183.92**
Less: Allowance for Credit impaired Trade Receivables	-72.49	-81.10
Total	**1,421.56**	**1,102.82**

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

8.1 Credit Period

The average credit period on sales of goods ranges from 60 to 90 days without security. No interest is charged on trade receivables on delayed payments.

Before accepting any new customers, the internal team assesses the potential customer's credit quality and defines credit limits for the Customers.

8.2 Expected credit loss allowance

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows :

Ageing

Particulars	Expected Credit Loss (%) 2021-22	Expected Credit Loss (%) 2020-21
Within the Credit period	0.12	0.15
1-90 days past dues	0.35	0.41
91-180 days past dues	2.00	2.72
181-270 days past dues	8.81	8.81
271-360 days past dues	18.37	18.37
> 360 days past dues	20.00	20.00

Particulars	As at 31 March 2022	As at 31 March 2021
Within the Credit period	841.41	805.72
1-90 days past dues	477.62	228.36
91-180 days past dues	53.36	11.54
181-270 days past dues	3.27	1.17
271-360 days past dues	23.86	0.72
> 360 days past dues	94.53	136.41

Total allowance for doubtful debts included :

Particulars	As at	
	31 March 2022	31 March 2021
Special allowance for doubtful debts (specific identification)	-	-
Expected credit loss (as per the above model)	72.49	81.10
Total allowance for doubtful debts	**72.49**	**81.10**

Movement in the allowance for doubtful receivables (including expected credit loss allowance):

(a) Expected credit loss allowance:

Particulars	As at	
	31 March 2022	31 March 2021
Balance at the beginning of the year	81.10	100.71
Movement in Expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	-8.61	-19.61
Balance at the end of the year	**72.49**	**81.10**

(b) Specific allowance for doubtful receivables:

Particulars	As at	
	31 March 2022	31 March 2021
Balance at the beginning of the year	-	-
Add: Specific allowance on trade receivables	-	-
Less: Reversal of allowance on collection/written off	-	-
Balance at the end of the year	-	-

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

9 Cash and Cash equivalents

Cash and Cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows :

Particulars	As at	
	31 March 2022	31 March 2021
Balance with Banks:		
- In current accounts	684.67	721.92
Cash on hand	-	-
Total	**684.67**	**721.92**

Non-cash transactions

During the year, the company has not entered into any non cash transactions on investing and financing activities.

Bank balances other than above

Particulars	As at	
	31 March 2022	31 March 2021
Balances with banks		
- Margin money deposits	10.59	8.75
Total	**10.59**	**8.75**

Margin money deposits have an original maturity period of less than 12 months. Margin Money deposits are made towards bank guarantees.

10 Income Tax Assets and Liabilities

Particulars	As at	
	31 March 2022	31 March 2021
Income tax Assets:		
Non Current		
Income tax payable	1,127.80	1,127.80
Less: Advance tax and taxes deducted at source	-1,429.15	-1,132.60
Tax payable (net)	**-301.35**	**-4.79**
Current tax liabilities		
Income tax payable for the current year	320.28	-
Less: Advance tax and taxes deducted at source	-40.78	-
Tax payable (net)	**279.50**	**-**

11 Deferred Tax Liability

Particulars	As at	
	31 March 2022	31 March 2021
The following is the analysis of the net deferred tax asset/ (liability) position as presented in the financial statements		
Deferred tax assets	33.88	44.54
Deferred tax liabilities	-56.43	-94.28
Net balance of asset /(liability)	**-22.55**	**-49.74**

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

12 Movement in deferred tax balances

Particulars of Assets / (Liabilities)	For the year 2021-22			
	Opening balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Closing Balance
Property, Plant and Equipment	-94.28	37.86	-	-56.43
Provision for employee benefits	1.04	3.24	4.35	8.63
Provision for doubtful trade receivables and advances	18.51	-0.26	-	18.25
Other disallowances	24.99	-17.99	-	7.00
Total	**-49.74**	**22.85**	**4.35**	**-22.55**

Particulars of Assets / (Liabilities)	For the year 2020-21			
	Opening balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Closing Balance
Property, Plant and Equipment	-100.49	6.21	-	-94.28
Provision for employee benefits (including bonus)	-1.76	5.90	-3.10	1.04
Provision for doubtful trade receivables and advances	26.55	-8.04	-	18.51
Other disallowances	27.56	-2.57	-	24.99
Total	**-48.14**	**1.50**	**-3.10**	**-49.74**

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

13 Equity Share Capital

Particulars	As at 31 March 2022	As at 31 March 2021
Authorized Share capital : 41,000,000 (As at 31 March 2021: 41,000,000) fully paid equity shares of Rs.10 each with voting rights	4,100.00	4,100.00
Issued and subscribed capital comprises : 30,750,000 (As at 31 March 2021: 30750000) fully paid equity shares of Rs.10 each	3,075.00	3,075.00
	3,075.00	**3,075.00**

13.01 Terms/Rights attached to equity shares

There has been no movement in the Share Capital during the year. The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of the equity shares is entitled to one vote per share. In the event of repayment of Share Capital, the same will be in proportion to the number of equity shares held.

13.02 Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	Number of shares	Amount
Balance as at 31 March 2021	3,07,50,000	3,075.00
Movements		-
Balance as at 31 March 2022	3,07,50,000	3,075.00

Fully paid equity shares, which have a par value of Rs.10 , carry one vote per share and carry a right to dividends.

Buy Back of Shares

During the year 2019-20, 1,02,50,000 shares held by one of the shareholders of the company was bought back at Rs. 14.6341 per share. The face value of Rs. 10 per share has been reduced from the equity share capital and the remaining amount of Rs. 4.6341 per share has been adjusted against the Surplus in Statement of Profit and Loss.

The above buy back has been approved in the meeting of Board of Directors of the Company held on 4 November 2019 and in the extra-ordinary general meeting of the members held on 5 November 2019 in pursuance of the provisions of Sections 68, 69 and 70 of the Companies Act, 2013

13.03 Details of shares held by Holding and Ultimate Holding company

Particulars	As at 31 March 2022 Amount	As at 31 March 2021 Amount
Renold International Holding Limited, UK,The holding company 30,749,997 (31st March 2021: 30,749,997) equity shares of Rs.10 each fully paid.	3,075.00	3,075.00
Renold, PLC,UK,The ultimate holding company 3 (31st March 2021: 3) equity shares of Rs.10 each fully paid.*	-	-

* The amount is below the rounding off norms adopted by the Company.

13.04 Details of shares held by each shareholders holding more than 5% shares

Name of the shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% of holding	Number of shares	% of holding
Fully paid equity shares				
Renold International Holding Limited	3,07,49,997	100%	3,07,49,997	100%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

13.05 Shares held by promoters at the end of the year

Shares held by promoters at the end of the year			% of Change during the year
Promoter Name	No. of Shares	% of total shares	
Renold International Holding Limited, UK	3,07,49,997	100%	-
Renold PLC, UK	3	-	
TOTAL	**3,07,50,000**	**100%**	-

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

14 Other Equity

Particulars	As at 31 March 2022	As at 31 March 2021
Reserves and surplus		
Capital Redemption Reserve	1,025.00	1,025.00
Surplus in statement of profit and loss account	1,159.89	295.41
	2,184.89	**1,320.41**

14.1 Surplus in Statement of Profit and Loss

Particulars	Retained Earnings	Remeasurement of Defined Benefit Liabilities
Balance as at 31 March 2020	**1,352.91**	**-**
Add: Profit for the year	650.13	**-**
(Less): Dividend paid	-1,716.85	
Add/(Less): Other Comprehensive Income for the year, net of income	-	9.22
Add/(Less) : Reclassification from Other comprehensive income (Refer Note below)	9.22	-9.22
Balance as at 31 March 2021	**295.41**	**-**
Add: Profit for the year	877.40	-
(Less): Dividend paid		
Add/(Less): Other Comprehensive Income for the year, net of income tax		-12.92
Add/(Less) : Reclassification from Other comprehensive income (Refer Note below)	-12.92	12.92
Balance as at 31 March 2022	**1,159.89**	**-**

Note: In accordance with Notification G.S.R 404(E) , dated April 6, 2016, remeasurement of defined benefit plans is recognised as a part of retained earnings.

14.2 Capital Redemption Reserve

Particulars	Amount
Balance as at 31 March 2021	**1,025.00**
Add: Transfer during the year	-
Less: Withdrawn during the year	-
Balance as at 31 March 2022	**1,025.00**

15 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade payables:		
(i) Dues to Micro and Small Enterprises (refer note 30)	89.44	7.17
(ii) Dues to creditors other than Micro and Small Enterprises	1,625.44	1,678.73
Total	**1,714.88**	**1,685.90**

a Trade payables are non-interest bearing and are normally settled as per due dates generally ranging from 30 t

b.The Company has financial risk management policies in place to ensure that all payables are paid within the agreed credit terms.

c. Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of the information collected by the Management. This has been relied upon by the Auditors.

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

14 Other Equity

Particulars	As at 31 March 2022	As at 31 March 2021
Reserves and surplus		
Capital Redemption Reserve	1,025.00	1,025.00
Surplus in statement of profit and loss account	1,159.89	295.41
	2,184.89	**1,320.41**

14.1 Surplus in Statement of Profit and Loss

Particulars	Retained Earnings	Remeasurement of Defined Benefit Liabilities
Balance as at 31 March 2020	**1,352.91**	**-**
Add: Profit for the year	650.13	-
(Less): Dividend paid	-1,716.85	
Add/(Less): Other Comprehensive Income for the year, net of income	-	9.22
Add/(Less) : Reclassification from Other comprehensive income (Refer Note below)	9.22	-9.22
Balance as at 31 March 2021	**295.41**	**-**
Add: Profit for the year	877.40	-
(Less): Dividend paid		
Add/(Less): Other Comprehensive Income for the year, net of income tax		-12.92
Add/(Less) : Reclassification from Other comprehensive income (Refer Note below)	-12.92	12.92
Balance as at 31 March 2022	**1,159.89**	**-**

Note: In accordance with Notification G.S.R 404(E) , dated April 6, 2016, remeasurement of defined benefit plans is recognised as a part of retained earnings.

14.2 Capital Redemption Reserve

Particulars	Amount
Balance as at 31 March 2021	**1,025.00**
Add: Transfer during the year	-
Less: Withdrawn during the year	-
Balance as at 31 March 2022	**1,025.00**

15 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade payables:		
(i) Dues to Micro and Small Enterprises (refer note 30)	89.44	7.17
(ii) Dues to creditors other than Micro and Small Enterprises	1,625.44	1,678.73
Total	**1,714.88**	**1,685.90**

a Trade payables are non-interest bearing and are normally settled as per due dates generally ranging from 30 to 60 days.

b.The Company has financial risk management policies in place to ensure that all payables are paid within the agreed credit terms.

c. Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of the information collected by the Management. This has been relied upon by the Auditors.

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

16 Other financial liabilities

Particulars	As at	
	31 March 2022	31 March 2021
Non-Current		
Security Deposit from dealers	-	83.15
	-	**83.15**
Current		
Security Deposit from dealers	103.90	10.84
Interest Liability on Dealers Deposit	19.13	17.09
Payable on purchase of Property, Plant and Equipment	61.11	37.09
Total	**184.14**	**65.02**

17 Provisions

Particulars	As at	
	31 March 2022	31 March 2021
Towards employee benefits		
Compensated absences	3.52	4.13
Others		
Provision for warranty (Refer Note below)	26.96	16.87
Total	**30.48**	**21.00**

The movement represents the provision created for the year in accordance with the Company's accounting policy after considering the actual settlements made during the year.

Note: Provision for Warranty

Particulars	As at	
	31 March 2022	31 March 2021
Balance as at beginning of the year	16.87	49.08
Additions during the year	15.22	-
Amounts used during the year	-5.13	-32.21
Balance as at end of the year	26.96	16.87

18 Other Current liabilities

Particulars	As at	
	31 March 2022	31 March 2021
Statutory remittances	47.19	180.00
Advance received from customers	56.65	47.15
Gratuity payable (Refer Note 31)	30.78	3.85
Total	**134.62**	**231.00**

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

19 Revenue from operations

Particulars	For the Year Ended 31 March 2022	For the Year Ended 31 March 2021
(A) Sale of Products (Refer Note 19.1 below)	10,464.61	7,167.09
Less: Sales Incentives	-496.13	-0.98
	9,968.48	**7,166.11**
B. Other operating revenues		
Scrap sales	652.87	327.30
Export Benefits	70.05	72.27
Income from lease of machinery	-	1.04
Reimbursement of freight charges	8.52	-
Other Income-tools	6.16	1.34
	737.60	**401.95**
Total	**10,706.08**	**7,568.06**

19.1 Disaggregation of the revenue Information

The table below presents disaggregated revenues from contracts with customers by geography and offerings for each of our business segments.

Particulars	For the Year Ended 31 March 2022	For the Year Ended 31 March 2021
Revenue by Geography		
India	7,652.00	5,198.63
Outside India	2,812.61	1,968.46
Total - Sale of Products	**10,464.61**	**7,167.09**
Revenue by offerings		
Manufactured goods		
Industrial Chains & Sprockets	10,464.61	7,167.09
Total - Sale of Products	**10,464.61**	**7,167.09**
Timing of recognition		
Goods transferred at a point in time	10,464.61	7,167.09
Total - Sale of Products	**10,464.61**	**7,167.09**

19.2 Trade Receivables and Contract Balances

The company classifies the right to consideration in exchange for deliverables as receivable.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue is recognized as and when the related goods / services are delivered / performed to the customer.

Trade receivable are presented net of impairment in the Balance Sheet.

Contract liabilities include payments received in advance of performance under the contract, and are realized with the associated revenue recognized under the contract.

19.3 Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in IND AS - 115, the Company has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date.

20 Other income

Particulars	For the Year Ended 31 March 2022	For the Year Ended 31 March 2021
a) Interest income earned on financial assets that are not designated as at fair value through profit or loss:		
Bank deposits (at amortized cost)	3.94	78.63
Other Interest Income	2.14	-
b) Other non-operating income		
Reversal of provision for warranty	-	10.00
Reversal of provision for doubtful receivables	8.61	19.61
Bad Debts recovered	9.79	-
Profit on sale of Property, Plant and Equipment	6.23	0.06
Total (a+b)	**30.71**	**108.30**

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

21 Cost of Raw material and components consumed

Particulars	For the Year Ended	
	31 March 2022	31 March 2021
(a) Raw material and components consumed		
Inventory at the beginning of the year (Refer Note 7)	1,195.00	801.62
Add: Purchases	5,389.77	3,429.28
Less : Inventory at the end of the year (Refer Note 7)	-988.85	-1,195.49
Cost of Raw material and components consumed	**5,595.92**	**3,035.41**
(b) Changes in inventories of work-in-process and finished goods		
Inventories at the end of the year		
Finished Goods	629.76	190.67
Work-in-progress	763.11	398.50
	1,392.87	**589.17**
Inventories at the beginning of the year		
Finished Goods	190.67	660.26
Work-in-progress	398.50	336.48
	589.17	**996.74**
Net Decrease/ (Increase)	**-803.70**	**407.57**

22 Employee benefit expenses

Particulars	For the Year Ended	
	31 March 2022	31 March 2021
Salaries and Wages	1,062.36	808.14
Contribution to provident and other funds (Refer Note 31)	56.00	43.86
Gratuity expense (Refer Note 31)	2.40	11.70
Staff welfare expenses	70.21	44.66
Total	**1,190.97**	**908.36**

23 Finance costs

Particulars	For the Year Ended	
	31 March 2022	31 March 2021
Interest costs :		
Interest expense	-	2.63
Interest on Income Tax	0.37	0.44
Total	**0.37**	**3.07**

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

24 Depreciation and amortization expense

Particulars	For the Year Ended	
	31 March 2022	31 March 2021
Depreciation of property, plant and equipment	236.50	236.63
Amortization of intangible assets	0.86	0.56
Total	**237.36**	**237.19**

25 Other Expenses

Particulars	For the Year Ended	
	31 March 2022	31 March 2021
Auxiliary material and processing charges	352.82	306.09
Power and Fuel	371.90	277.47
Stores and spare parts consumed	330.10	181.82
Packing materials consumed	436.11	219.62
Management and Service Fees	206.13	177.44
Freight and forwarding charges	232.08	156.34
Discount allowed	103.06	196.87
Rates and taxes	44.89	43.72
Travelling and conveyance	16.84	9.27
Legal and professional charges (Refer Note 25.1 below)	123.67	95.56
Repairs and Maintenance		
- Buildings	6.32	4.34
- Machinery	172.58	116.05
- Others	78.79	239.48
Insurance	37.61	49.28
Security agency	30.85	26.02
Communication expenses	13.61	9.17
Net loss on foreign currency transactions and translation	20.02	28.70
Corporate Social Responsibility (CSR) expenses (Refer Note 25.2 below)	22.60	22.70
Miscellaneous expenses	65.50	53.63
Total	**2,665.48**	**2,213.57**

25 Legal and professional charges includes the following:

	For the Year Ended	
Payments to auditors	**31 March 2022**	**31 March 2021**
Statutory audit fees	10.00	9.00
Tax audit	4.00	2.50
For other services	9.59	5.50
Out of pocket expenses	0.51	0.40
Total	**24.10**	**17.40**

25 Corporate Social Responsibility

As per Section 135 of the companies at 2013, the Company needs to spend 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The Company has incurred CSR expenditure on activities specified in Schedule VII of the Companies act, 2013.

Average Profit before tax as per Section 135 of the Act	1,127.39
a. 2% of the Average Profit to be spent for CSR Activities	22.55
b. CSR Expenditure incurred	22.55
c. Shortfall at the end of the year	NIL
d. total of previous years shortfall	NIL
e. Reason for shortfall	N.A.
f. Nature of CSR Activities	i. Promoting healthcare and sanitation in Government school ii. Contribution to CoVID-19 fund
g. Details of Related Party transactions	NIL
h. Movement in provision with respect to a liability incurred	NIL

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

26 Income Taxes

26.1 Income tax expense recognised in statement of profit and loss

Particulars	For the Year Ended	
	31 March 2022	31 March 2021
Current tax		
In respect of current year	320.28	222.56
	320.28	**222.56**
Deferred tax		
In respect of current year	-22.85	-1.50
Total income tax expense recognized in the current year	**297.43**	**221.06**

26.2 Income Tax recognised in Other Comprehensive Income

Particulars	For the Year Ended	
	31 March 2022	31 March 2021
Deferred tax:		
Remeasurements of defined benefit plan	-4.35	3.10
Total income tax recognised in other comprehensive income	**-4.35**	**3.10**

Bifurcation of the income tax recognised in other comprehensive income into:–		
Items that will not be reclassified to profit or loss	-4.35	3.10
Items that will be reclassified to profit or loss	0.00	0.00

26.3 Income tax reconciliation

A reconciliation of income tax expense applicable to accounting profit/(loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows

Particulars	For the year ended	
	31 March 2022	31 March 2021
Profit before tax	1,174.83	871.19
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	296.00	219.00
Effects of amounts disallowed in the computation of total income	24.28	3.56
Deffered Tax Adjustment	-22.85	-1.50
Total income tax expense recognised in the statement of profit and loss	**297.43**	**221.06**

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

27 Earnings per share

Particulars	For the year ended	
	31 March 2022	31 March 2021
Basic earnings per share	2.85	2.11
Diluted earnings per share	2.85	2.11
The calculation of the Basic and Diluted Earnings per share is based on the following data		
Profits for the year after tax	**877.40**	**650.13**
Weighted average number of shares outstanding during the year		
Basic	3,07,50,000	3,07,50,000
Diluted	3,07,50,000	3,07,50,000

28 Segment information

The Company is exclusively engaged in the business of manufacture and sale of industrial chains and sprockets and this is the only segment analysed by the Chief Operating Decision Maker (CODM), as defined under the accounting standard. Accordingly, no additional disclosures have been made.

Geographical Information

Particulars	Revenue for the year ended		Carrying amount of Non-Current Assets as at	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
India	7,652.00	5,198.63	3,043.31	2,760.25
Europe	1,156.42	724.21	-	-
United States of America	932.35	682.82	-	-
Rest of the world	723.84	561.43	-	-
Total	**10,464.61**	**7,167.09**	**3,043.31**	**2,760.25**

The Company has a manufacturing unit only in India, and all capital expenditure is incurred only in India.

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

29 Contingent liabilities and commitments

Particulars	As at 31 March 2022	As at 31 March 2021
A.Contingent Liabilities		
Income Tax demand*	190.10	190.10

Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount Unpaid
Income Tax Act, 1961	Income -Tax	Assistant Commissioner of Income Tax, Chennai (Assessing Officer)	Financial Year 2012-13	2.08
Income Tax Act, 1961	Income -Tax	E-Assessment Centre	Financial Year 2017-18	0.76
Income Tax Act, 1961	Income -Tax	E-Assessment Centre	Financial year 2013-14 to 2016-17	187.26
Total				**190.10**

* The Company received demand orders dated 31 March 2021 from the Income-tax Department for non-deduction of Withholding Taxes on Various Management Service Charges (MSC) amounting to Rs.139 Million paid to Renold UK, during the financial years from 2013-14 to 2016-17.

The Company has filed appeals on 29 April 2021 challenging the above demands. The Management is of the opinion that the above demands are not sustainable.

B.Commitments

Particulars	As at 31 March 2022	As at 31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
– for the acquisition of property, plant and equipment	50.83	80.40

30 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Principal amount remained unpaid to any supplier as at the accounting year	89.44	7.17
(ii) Interest due thereon remaining unpaid to any supplier as at the end of accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payments made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest as above are actually paid	-	-

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of the information collected by the management. This has been relied upon by the auditors.

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

31 Employee benefit plans

a) **Defined contribution plans**

The Company makes Provident fund and Employees State Insurance fund contributions to defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable by the Company to these plans are at the rates specified in the rules of the schemes.

Particulars	For the year ended	
	31 March 2022	31 March 2021
Contribution to provident fund recognized in statement of profit and loss	51.37	43.86
Contribution to Employee state insurance plan recognized in the statement of profit and loss	4.63	8.80

b) **Defined benefit plans**
The company has a defined gratuity plan. Every employee who has completed Five years or more of service gets a gratuity on departure at 15 days salary (based on the last drawn remuneration) for each completed year of service. The scheme is fully funded with an insurance company in the form of qualifying insurance policy.

ASSUMPTIONS

The principal assumptions used for the purposes of the actuarial valuations are given below

Particulars	As at	
	31 March 2022	31 March 2021
Expected Return on Plan Asset	6.96%	6.33%
Discount rate	6.96%	6.33%
Rate of salary increase	6.50%	6.50%
Rate of employee turnover	For service 4 years and below 10% p.a	
	For service 5 years and above 6% p.a	
Mortality Rate During Employment	Indian assured lives mortality (2012-14) Urban	Indian assured lives mortality(2006-08) ultimate
Mortality Rate After Employment	NA	

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

The details of actuarial valuation in respect of Gratuity liability are given below:

Particulars	Gratuity	
	As at	
	31 March 2022	31 March 2021
i.Projected benefit obligation as at beginning of the year	168.25	180.16
Service cost	11.05	11.35
Interest cost	10.65	10.88
Remeasurment(gain)/loss	-	-
Actuarial (gain)/loss -due to change in demographic assumption	0.01	-
Actuarial (gain)/loss-Due to change in financial assumptions	-6.84	-3.10
Actuarial (gain)/loss arising from experience adjustments	24.66	-9.17
Benefits paid	-19.42	-21.87
Projected benefit obligation at the end of the year	**188.35**	**168.25**

Particulars	Gratuity	
	As at	
	31 March 2022	31 March 2021
ii.Fair value of plan assets as at beginning of the year	164.40	174.26
Interest Income	10.41	10.53
Contributions	1.63	1.44
Benefits paid	-19.42	-21.87
Remeasurement gain/(loss)	-	-
Return on plan asset excluding interest income	0.55	0.04
Fair value of plan asset at the end of the year	**157.57**	**164.40**
iii.Amount recognized in the balance sheet		
Projected benefit obligation at the end of the year	-188.35	-168.25
Fair value of the plan assets at the end of the year	157.57	164.40
(Liability) / Asset recognized in the Balance sheet - net	**-30.78**	**-3.85**
iv. Net interest cost for the period		
Present value of benefit obligation at the beginning of the year	168.25	180.16
(Fair value of plan asset at the beginning of the period)	-164.40	-174.26
Net liability/(Asset) at the beginning	**3.85**	**5.90**
v.Interest cost	10.65	10.88
(Interest income)	-10.41	-10.53
Net interest cost for the current period	**0.24**	**0.35**
Total cost of the defined benefit plan for the year		
vi.Expenses recognized in statement of profit & loss		
Current service cost	11.05	11.35
Net interest cost for the current period	0.24	0.35
Expenses Recognized	**11.29**	**11.70**
vii:Expenses recognized in other comprehensive income		
Actuarial(gain)/losses on obligation for the period	17.82	-12.27
Return on plan asset excluding interest income	-0.55	-0.04
Net (income)/Expense recognized in OCI	**17.27**	**-12.31**

Sensitivity analysis

		31 March 2022	31 March 2021
i	Project benefit obligations on current assumptions	188.35	168.25
ii	Delta effect of + 1% change in rate of discounting	-10.01	-9.97
iii	Delta effect of - 1% change in rate of discounting	11.06	11.13
iv	Delta effect of + 1% change in rate of salary increase	11.00	11.01
v	Delta effect of -1% change in rate of salary increase	-10.14	-10.04
vi	Delta effect of + 1% change in rate of employee turnover	0.13	-0.22
vii	Delta effect of -1% change in rate of employee turnover	-0.15	0.23

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

32 Financial instruments

(i) Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the company, the primary objective of the company's capital management is to maximize the shareholder value.

The Company's objective when managing capital are to Safeguard their ability to continue as a going concern, so that they can continue to provide return for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the weighted

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares, or sell non-core assets to reduce the debt.

(ii) **Loan covenants**

There were no term loans or other borrowings outstanding as of March 2022.

(iii) **Categories of Financial instruments**

Particulars	As at	
	31 March 2022	**31 March 2021**
A.Financial Assets		
Measured at amortized cost		
(a) Cash and Bank balances	695.26	730.67
(b) Other Financial assets Measured at cost	1,454.35	1,135.36
(c) Security Deposits	65.74	65.97
Measured at fair value		
(a) Investments	14.42	14.42
	2,229.77	**1,946.42**
B.Financial liabilities		
Measured at amortized cost (including trade payable balances)	**1,899.02**	**1,834.07**

(iv) **Financial risk management objectives**

The Company's activities expose it to market risk, liquidity risk and credit risk. The table given below explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
a. Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost	Aging analysis Credit ratings Financial analysis	Diversification of Short term investments, review of credit limits and credit locks and secured mode of payment
b. Market risk			
i. Market risk - foreign exchange	Future commercial transactions Recognized financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Foreign exchange forward contracts
ii. Market risk - Interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Market trends and negotiation
iii. Market risk - Price risk	Investment in securities	Sensitivity analysis	Portfolio diversification
c. Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of sanctioned credit lines and borrowing facilities

The Company's risk management is governed by policies monitored by Group Treasury. Company's treasury identifies, evaluates and hedges financial risks in close co-ordination with the Company's operating units. The board provides written principles for overall risk management, as well as policies covering areas such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity in short term Fixed Deposits.

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value (b) measured at amortised cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining the fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard.

(a) Financial assets and liabilities valued at fair value

	As at March 31, 2022			As at March 31, 2021		
	Level 1	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Financial Assets						
Investment in equity instruments (Other than in subsidaries)	-	-	14.42	-	-	14.42
	-	**-**	**14.42**	**-**	**-**	**14.42**

(b) Financial assets and liabilities measured at amortised cost

The Company has not disclosed fair values of financial instruments such as trade receivables, cash and cash equivalents,other Bank balances, security deposits, loans and advances to related parties, lease rental receivables, interest accrued on fixed deposits, certain advances to employees, trade payables and employee benefits payables (that are short term in nature), because their carrying amounts are reasonable approximations of their fair values.

(c) Offsetting

The Company has not offset financial assets and financial liabilities as at 31 March 2021 and 31 March 2022.

Measurement of fair values

Valuation technique

(i) Investment in equity instruments

The carrying value and fair value of the Investment is expected to be the same since the transfer value at any point in time would be the par value of the share.

a. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to 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.

a(i) Trade receivables

Customer credit risk is managed by each business unit under the guidance of the credit policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on financial position, past performance, business/economic conditions, market reputation, expected business etc. Based on this evaluation, credit limit and credit terms are decided. Exposure on customer receivables are regularly monitored and managed through credit lock and release.

The impairment is based on expected credit loss model considering the historical data and financial position of individual customer at each reporting period. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note: 8.2 . The Company does not hold any collateral as security.

a(ii) Financial Instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made for short-term deposits with banks. The Investment limits are set out per the value of total fixed deposit in Banks to minimize the concentration risk.

The Company has no exposure to credit risk relating to these cash deposits as at: 31 March 2022 and 31 March 2021.

b **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 of three types of risks: 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 and deposits.

Market risk exposures are measured using sensitivity analysis. There has been no change in the measurement and management of the Company's exposure to market risks .

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

b(i) Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuations arises. The Company has not entered into any derivate contracts during the year ended 31 March 2022 and there are no outstanding contracts as at 31 March 2021.

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

Particulars	Currency	As at 31 March 2022		As at 31 March 2021	
		Amount in Foreign Currency	Amount	Amount in Foreign Currency	Amount
Trade Payables	USD	-123.56	-8,555.05	-123.96	-9.07
Trade Payables	EUR	-50.82	-4,139.46	-31.45	-2.70
Trade Payables	GBP	-131.75	-13,118.24	-	-
Trade Payables	RMB	-3,584.19	-41,218.22	-	-
Trade Payables	CNY	-2,628.40	-30,752.28	-	-
Receivables - Other Current Assets	USD	3,315.63	2,46,964.09	5,066.70	370.53
Receivables - Other Current Assets	EUR	2,608.98	2,16,170.11	1,347.83	115.86
Receivables - Other Current Assets	GBP	83.20	8,307.52	198.67	20.05

(-)denotes payable, (+) denotes receivable

Foreign Currency sensitivity analysis:

The following table details the Company's sensitivity to a 5% increase and decrease in INR against the relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates a increase in profit / decrease in loss and increase in equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or loss and equity and balance below would be negative.

Impact on Profit and loss for the reporting period

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2021
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
USD	12.81	-12.81	18.98	-18.98
EURO	11.02	-11.02	5.93	-5.93
GBP	1.07	-1.07	1.00	-1.00

Impact on total equity as at end of the reporting period

Particulars	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2021
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
USD	12.81	-12.81	18.98	-18.98
EURO	11.02	-11.02	5.93	-5.93
GBP	1.07	-1.07	1.00	-1.00

Note :
This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to the Company at the end of the reporting period.

b(ii) **Interest rate risk management**
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company has been availing the borrowings on a fixed and variable rate of interest. These borrowings are carried at amortized cost. The borrowings on a fixed rate of interest basis are not subject to the interest rate risk as defined in Ind AS 107, since neither the carrying amount nor future cash flows will fluctuate because of change in market interest rates. The borrowings on a variable rate of interest are subject to interest rate risk as defined in Ind AS 107.

33 Related Party Disclosure

i) The list of related parties as identified by the management and relied upon by the auditors are as under

Holding company

Renold International holdings limited-UK

Ultimate Holding company

Renold Plc, UK

Fellow Subsidiaries

Renold Transmission limited, singapore
Renold power transmission limited,UK (Formerly known as Renold Chain, UK)
Renold Jeffrey, USA
Brampton Renold SA, France
Renold Gmbh, Uslar
Renold (Malaysia) sdn.bhd,Malaysia
Renold Gears, Milnrow
Renold Canada Limited, Canada
Renold (China) Transmission,Changzhou City
Renold (China) Transmission Product (Formerly Known as Renold hangzhou Co limited, China)
Renold Australia, Austrailia
Renold Crofts(PTY) Limited, Benoni

Key Managerial personnel

S.Ramachandran, Managing director
Rakesh Kailash Sharma , Chief Financial Officer
T.Vinoth Kumar, Company secretary

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

33A Related party transactions : (contd)

Particulars	Ultimate Holding Company		Parties Having Significant Influence		Fellow Subsidiaries		Key management personnel	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Purchase of finished goods and components								
Renold GmbH, Germany	-	-	-	-	1.78	1.06	-	-
Renold China Transmission Products	-	-	-	-	675.56	28.49	-	-
Renold GmbH, Gronau	-	-	-	-	-	30.47	-	-
Renold Gears, Milnrow	-	-	-	-	21.66	-	-	-
Management service charges paid								
Renold Plc, UK	157.02	173.92	-	-	-	-	-	-
IT&Insurance charges Paid								
Renold Plc, UK	235.96	220.82	-	-	-	-	-	-
GST Salary & other recharges								
Renold Plc, UK	22.34	25.34	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Server purchase & M3 Expenses								
Renold Plc, UK	-	33.54	-	-	-	-	-	-
Dividend paid								
Renold International Holdings Ltd	-	1,545.16	-	-	-	-	-	-
Renold Plc, UK*	-	0.00	-	-	-	-	-	-
Managerial Remuneration								
S.Ramachandran, Managing Director								
Short term employee Benefits Expense	-	-	-	-	-	-	67.52	56.01
Contribution to defined benefit plans	-	-	-	-	-	-	1.66	1.38
Rakesh Sharma Kailash, Chief Financial Officer								
Short term employee Benefits Expense	-	-	-	-	-	-	22.93	17.64
Contribution to defined benefit plans	-	-	-	-	-	-	0.80	0.62
T.Vinoth Kumar, Company Secretary								
Short term employee Benefits Expense	-	-	-	-	-	-	15.71	11.35
Contribution to defined benefit plans	-	-	-	-	-	-	0.48	0.35
Balances outstanding at the year end								
Payables:								
Renold Plc, UK	-	-	-	-	-	-	-	-
Renold GmbH, Germany-Einbeck	-	-	-	-	-	-	-	-
Renold Jeffrey	-	-	-	-	-	-	-	-
Renold GmbH, Gronau	-	-	-	-	-	2.70	-	-
Receivables:								
Renold Plc, UK	-	-	-	-	-	4.49	-	-
Renold Power Transmission Limited, UK	-	-	-	-	-	15.56	-	-
Renold GmbH, Uslar	-	-	-	-	-	1.57	-	-
Renold Jeffrey, USA	-	-	-	-	-	132.91	-	-
Renold - Canada	-	-	-	-	-	7.65	-	-
Renold (China) Transmission Product	-	-	-	-	-	4.35	-	-
Renold Australia Pty Ltd	-	-	-	-	-	-	-	-
Renold (Malaysia)Sdn.Bhd ., Malaysia	-	-	-	-	-	-	-	-

* The amount is below the rounding off norms adopted by the Company.

34 Additional Regulatory Information:

a. The company is not declared as a wilful defaulter by any bank or financial institution.

b. The company has no relationship with struck-off companies.

c. The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

d. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to or in any other person or entity, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

e. The company has not been received any funds from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

f. The company has no income which has been surrendered or disclosed as income during the year in any of the tax assessments under the Income Tax Act 1961.

g. The company has not traded/invested in crypto currency/ virtual currency during the financial year.

h. There are no loans and advances granted to Promoter, KMP and related parties

i. The company has not issued any securities for a specific purpose

j. The title deeds of immovable property are held in the name of the company.

k. The company has no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made

l. There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the

m. There is no scheme of arrangement approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

n. The company has no borrowings from banks and financial institution for specific purpose as at the balance sheet date.

o. In the opinion of the Board, all assets other than Property, Plant and Equipment and Intangible assets and non-current investments are expected to be realised atleast at the value stated in the balance sheet in the ordinary course of business.

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

35 Ratios:

PARTICULARS	NUMERATOR / DENOMINATOR	31-03-2022	31-03-2021	Variance
Current Ratio	Current Assets / Current Liabilities	1.96	1.88	3.86%
Debt-Equity Ratio	Borrowings / Total Equity	-	-	-
Debt Service Coverage Ratio	Net Operating Income / Debt Service	-	-	-
Return on equity ratio	Net Income / Average Shareholders Equity	18.17%	13.20%	4.97%
Inventory turnover ratio	Net Sales / Average Inventory	4.79	4.00	19.63%
Trade Receivables turnover ratio	Net Sales / Average Trade Receivable	7.90	6.97	13.36%
Trade payables turnover ratio*	Total Sales / Average Trade Payable	5.86	4.05	44.62%
Net capital turnover ratio**	Total Sales / Average Shareholders Equity	2.06	1.46	41.89%
Net profit ratio	Net Profit (PAT) / Net Sales	0.09	0.09	-2.98%
Return on Capital employed	EBIT / Capital Employed	16.69%	14.86%	12.30%
Return on Investment	Net Profit / Cost of Investment	-	-	-

Reasons:

* The increase in the ratio is on account increase in the turnover during the year and decrease in average payables as at the end of the year.

** The increase in the ratio is on account increase in the turnover during the year and decrease in average shareholders equity as at the end of the year.

36 New Wage Code

The Code on Social Security 2020 has been notified in the Official Gazette on 29th September 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. The impact of the changes, if any, will be assessed and accounted in the period in which the said Code becomes effective and the rules framed thereunder are published.

37 Approval of Financial statements

The Financial statements were reviewed and approved by the Board of Directors in their meeting held on 11 October 2022.

For and on behalf of the Board of Directors

S. Ramachandran
Managing Director
DIN: 03535894

Michael Peter Wallwork
Director
DIN: 07291292

Rakesh Kailash Sharma
Chief Financial Officer

T. Vinoth Kumar
Company Secretary
FCS No.F10471

Place: Dindigul
Date : 11 October 2022

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U27109TZ2008FTC017737

Name of the company: Renold Chain India Private Limited

Registered office: 568/1A, 569/ 1 & 2 D. Gudalur (P.O), Guziliamparai (T.K) Dindigul, Tamil Nadu – 624620, India

Name of the member (s) : **Registered address :** **E-mail Id:** **Folio No/ Client Id :** **DP ID :**

I/We being the Member(s) / Members of ____________________ shares of the above named company, hereby appoint

1. Name: ______________________________
   Address: ______________________________
   E mail ID: ___________________________
   Signature: ___________________________ or failing him/her

2. Name ______________________________
   Address______________________________
   E mail ID: ___________________________
   Signature: ___________________________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Wednesday, November 30, 2022, at 10:00 A.M at 568/1A, 569/ 1 & 2 D. Gudalur (P.O.), Guziliamparai (T.K.) Dindigul, Tamil Nadu – 624620, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No. 1. Adoption of Audited Financial Statements

Resolution No. 2. Appointment of Mr James Robert Haughey as a Director

Signed this…… day of……… 2022.

Please affix Re. 1/- Revenue

____

Signature of Member/s as per specimen signature on Company's record

____

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company or at the venue of the meeting before the commencement of the meeting.

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF VENUE

Member/Proxy

____

(First) (Middle) (Surname)

I hereby record my presence at the Annual General Meeting of Renold Chain India Private Limited held on Wednesday, November 30, 2022, at 10.00 A.M at 568/1A, 569/ 1 & 2 D. Gudalur (P.O.), Guziliamparai (T.K.) Dindigul, Tamil Nadu – 624620, India.

Regd. Folio No. _____________

No. of Shares held ____________

(Signature of Member/s or Proxy)