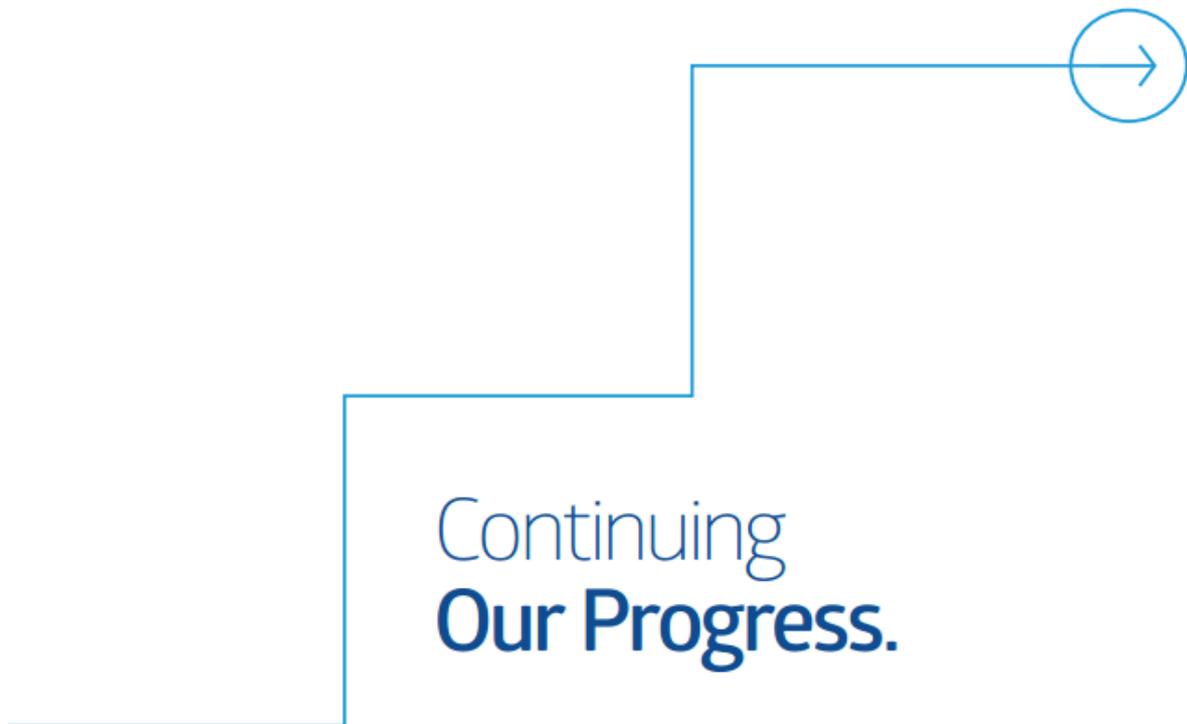


# ***RENOLD***

Renold Chain India Private Limited  
17<sup>th</sup> Annual Report (FY 2024-2025)

# **Re-engineering our future.**



## **CORPORATE INFORMATION**

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### **BOARD OF DIRECTORS**

S Ramachandran

Michael Peter Wallwork

James Robert Haughey

---

### **COMPANY SECRETARY**

T Vinothkumar

---

### **GENERAL MANAGER – FINANCE & ACCOUNTS**

V A David

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### **AUDITORS**

MSKA AND ASSOCIATES

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### **BANKERS**

The Federal Bank Limited

State Bank of India

HDFC Bank Limited

HSBC Limited

Punjab National Bank

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### **REGISTERED OFFICE**

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

Guzliamparai Taluk

Dindigul District - 624 620

Tamil Nadu, India

CIN: U27109TZ2008FTC017737

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### 17<sup>TH</sup> ANNUAL GENERAL MEETING

**DATE** : 30.09.2025

**DAY** : Tuesday

**TIME** : 10:00 Hrs

**VENUE** : Renold Chain India Private Limited

S F No: 568/1A, 569/1 & 2

D. Gudalur Post, Guziliamparai Taluk

Dindigul District – 624620

Tamil Nadu, India

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# ***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 footprint and increase our positive social impact.

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**NOTICE**

**SHORTER NOTICE** is hereby given that the **17<sup>th</sup> Annual General Meeting** of Members of Renold Chain India Private Limited (the 'Company') will be held on Tuesday, the 30<sup>th</sup> day of September 2025 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 along with the statement of cash flows for the financial year ended 31<sup>st</sup> March 2025 together with the notes and reports of the Board of Directors and Auditors thereon.

**SPECIAL BUSINESS:**

**Item No 2 – Ratification of remuneration payable to the Cost Auditor**

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

**RESOLVED THAT** pursuant to section 148 (3) and other applicable provision if any of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force) the remuneration of Rs.50,000/- (Rupees Fifty Thousand Only) excluding all taxes and reimbursement of out of pocket expenses to Mr B Venkateswar, Cost Accountant (Membership Number: 27622) who has been appointed by the board of Directors as Cost Auditor to conduct the audit of cost records of the Company for the financial year ending 31<sup>st</sup> March 2026 be and is hereby ratified and approved.

**FURTHER RESOLVED THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

**Item No:3 – Approval of Related Party Transactions:**

To Consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution

**“RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors to enter into transaction between the Company and the related parties on the terms and conditions, as detailed below:

S.No	Name of the Related Party	Name of the Director or KMP who is related	Nature of Relationship	Nature, material terms, monetary value, duration and particulars of the contract or arrangement
1	Jeffrey Chain Corporation	James Robert Haughey	Fellow Subsidiary	Sale/ Purchase of industrial chains and/ or its components and the Monetary value of aggregate transactions does not exceed INR 20 Crores during the financial year 2025-26. All the transactions are in the ordinary course of business and is as per the transfer price.
2	Renold PLC	James Robert Haughey	Ultimate Holding Company	a) Availing of Management related services and/or; b) Availing of IT/ Insurance related services and/ or; c) Availing of M3 Consulting services and/or; d) Purchase of IT Hardware related items and/or; e) Purchase of fixed assets; f) All the transactions are in the ordinary course of business and is as per the transfer price and g) The Monetary value of all above aggregate transactions does not exceed INR 35 Crores during the financial year 2025-26.
3	Renold (China) Transmission Products Co Ltd	Michael Peter Wallwork	Fellow Subsidiary	a) Sale/ Purchase of industrial chains and/ or its components and/or; b) Purchase of fixed assets; c) All the transactions are in the ordinary course of business and is as per the transfer price and d) The Monetary value of aggregate transactions does not exceed INR 5 Crores during the financial year 2025-26.

**RESOLVED FURTHER THAT** Mr S Ramachandran, Managing Director of the Company be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto , and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper expedient or incidental for giving effect to this resolution.

Date: 26.09.2025  
Place: Dindigul

**By the Order of Board**  
**Renold chain India Private Limited**  
**Sivavadivelu Ramachandran**  
**Managing Director**  
**DIN No: 03535894**  
**Residential address:**  
3C, Apple Paradise Apartments,  
SF643, Andan Kovil East Po, Reddipalayam  
Ponnagar, Andankovil East, Karur  
Tamil Nadu – 639002, India

**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.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ANNEXED TO THE NOTICE**

**Item No:2**

The Board of Directors has approved the appointment and remuneration of Mr B Venkateswar, Cost Accountant (Membership No.27622) as Cost Auditor to conduct the audit of the cost records of the Company for the Financial Year 2025-2026. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor must be ratified by the Members of the Company.

Accordingly, the approval of the Members is sought for passing Ordinary Resolution as set out in Item No.2 of the Notice for ratification of the remuneration payable to the Cost Auditor for conducting the Cost Audit of the Company for the Financial Year ending on March 31, 2026. The Board recommends the Ordinary Resolution as set out in Item No.2 of the notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives, financially or otherwise, is concerned or interested in the proposed Ordinary Resolution as set out at Item No.2 of the Notice.

**Item No:3**

The Company has been entering into transactions with related parties confirming to prescribe statutory procedure under the Companies Act 2013.

The Company also proposes to enter into such transactions with related parties confirming to the requirements of the Companies Act 2013.

In the above context the necessary resolution is proposed for the approval of the members. The transactions have been approved by the Board of Directors subject to the company passing ordinary resolution as per requirement of the act.

The particulars as to related party transactions are furnished below as per the requirements of the prescribed rules and the grounds for having the transactions.

The details of the related party transaction (s) are furnished below.

<b>S.No</b>	<b>Name of the Related Party</b>	<b>Name of the Director or KMP who is related</b>	<b>Nature of Relationship</b>	<b>Nature, material terms, monetary value, duration and particulars of the contract or arrangement</b>
1	Jeffrey Chain Corporation	James Robert Haughey	Fellow Subsidiary	Sale/ Purchase of industrial chains and/ or its components and the Monetary value of aggregate transactions does not exceed INR 20 Crores during the financial year 2025-26.  All the transactions are in the ordinary course of business and is as per the transfer price.

## Renold Chain India Private Limited

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2	Renold PLC	James Robert Haughey	Ultimate Holding Company	a) Availing of Management related services and/or; b) Availing of IT/ Insurance related services and/ or; c) Availing of M3 Consulting services and/or; d) Purchase of IT Hardware related items and/or; e) Purchase of fixed assets; f) All the transactions are in the ordinary course of business and is as per the transfer price and g) The Monetary value of all above aggregate transactions does not exceed INR 35 Crores during the financial year 2025-26.
3	Renold (China) Transmission Products Co Ltd	Michael Peter Wallwork	Fellow Subsidiary	a) Sale/ Purchase of industrial chains and/ or its components and/or; b) Purchase of fixed assets c) All the transactions are in the ordinary course of business and is as per the transfer price and d) The Monetary value of aggregate transactions does not exceed INR 5 Crores during the financial year 2025-26.

Date: 26.09.2025

Place: Dindigul

**By the Order of Board**

**Renold chain India Private Limit**

**Sivavadivelu Ramachandran**

**Managing Director**

**DIN No: 03535894**

**Residential address:**

3C, Apple Paradise Apartments,  
SF643, Andan Kovil East Po  
Reddipalayam, Ponnagar,  
Andankovil East Karur,  
Tamil Nadu – 639002, India

## DIRECTOR'S REPORT

### Dear Shareholders

The Directors of your Company hereby submits 17<sup>th</sup> Annual Report of the business together with the audited financial statements, for the financial year ended 31<sup>st</sup> March 2025.

### FINANCIAL RESULTS

The Summary of the financial performance of the company for the year ended 31<sup>st</sup> March 2025 as compared to the previous year is as below:

*All amounts are in Lakhs of Indian Rupees*

Particulars	31-03-2025	31-03-2024
Total Revenue	11,900	10,012
Profit before interest, depreciation & tax	1,942	956
Less: Depreciation and amortization Expenses	632	260
Less: Finance Cost	67	0
<b>Profit Before Tax</b>	<b>1,244</b>	<b>696</b>
<b>Less: Tax Expenses</b>		
(a) Current Tax	110	146
(b) Deferred Tax	153	52
Other comprehensive income	3.00	2.60
<b>Profit after Tax &amp; comprehensive income</b>	<b>984</b>	<b>501</b>

*Note: Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.*

### REVIEW OF BUSINESS OPERATIONS

The total Revenue of the Company for the year ended 31<sup>st</sup> March 2025 is Rs. 119 crores against Rs. 100.12 crores in the previous year. The Profit after tax for year ended 31<sup>st</sup> March 2025 is Rs 9.84 Crores as against Rs 5.01 Crores in the previous year.

### TRANSFER 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 2025-26, your directors do not to recommend dividend to the Shareholders of the Company for the Financial Year 2024-25.

**CHANGE IN NATURE OF BUSINESS, IF ANY**

The Company did not undergo any change in nature of its business during the financial year.

**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 AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There have been no material changes and commitments, which affect the financial position of the Company, that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

**CAPITAL AND DEBT STRUCTURE**

**SHARE CAPITAL**

The Authorised Share capital of the Company as on 31<sup>st</sup> March 2025 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 on 31st March 2025 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. The Company has not bought back any of its securities during the year under review.

**BORROWINGS**

During the year, Your Company had availed External Commercial Borrowing of INR 1,397.90 Lakhs (GBP 12,66,934) from Renold Public Limited Company, United Kingdom (Ultimate Parent Company). The approval was obtained from the Board of Directors during the meeting held on 11<sup>th</sup> July 2024. Necessary approvals from Reserve Bank of India have been obtained by the Company. The Company has been allotted with LRN No. 202408185. The Loan is for a minimum period of 5 years, effective from August 28, 2024 with the interest at the rate of 2.1 % + 3 months SONIA (Sterling Overnight Index Average) which shall accrue daily on the outstanding principal amount of each loan from its drawdown date until the date it is repaid in full. The Company has utilised the borrowings towards the payment of software license recharges to Renold Public Limited Company.

**Reporting on Significant Beneficial Owners**

Mr T Vinothkumar, Company Secretary of the Company has been appointed as a Designated Person for furnishing and extending cooperation for providing information to the Registrar or any other authorised officer with respect to the beneficial interest in the shares of the Company on the Board

## Renold Chain India Private Limited

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Meeting held on 28.05.2024 as notified under the Companies (Management and Administration) Second Amendment Rules, 2023.

### **MANAGEMENT**

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

##### **Directors**

The Composition of Board of Directors of the Company as on 31<sup>st</sup> March 2025 is as below:

<b>S. No</b>	<b>Name</b>	<b>DIN</b>	<b>Designation</b>
1	Sivavadivelu Ramachandran	03535894	Managing Director
2	Michael Peter Wallwork	07291292	Director
3	James Robert Haughey	09321105	Director

During the year under review, there were no changes made to the Board of Directors of the Company.

##### **Key Managerial Personnel**

Mr S Ramachandran, Managing Director 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**

During the financial year 2024-25, five (5) meetings of the Board were held and the gap between two meetings did not exceed one hundred and twenty days. The Board Meetings are prescheduled, and adequate notice is given to the Board of Directors. Board Meetings are generally held at the registered office of the Company or through video conference or through physical presence or through Hybrid Mode.

These Board Meetings were held on May 28, 2024; July 11, 2024; August 20, 2024; September 26, 2024; December 20, 2024. The necessary quorum was present for all the meetings. Leave of absence was granted to the concerned Directors, who could not attend the respective Board Meeting, upon

receipt of their request. The Minutes of Board Meetings were circulated amongst the Board of Directors for their perusal. The details of meeting attended by each Director is as below:

<b>S.No</b>	<b>Name of the Director</b>	<b>No of Meeting held during the tenure</b>	<b>No of Meeting Attended</b>
1	S Ramachandran	5	5
2	Michael Peter Wallwork	5	5
3	James Robert Haughey	5	5

**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, the Board of Directors has nominated Mr S Ramachandran, Managing Director of the Company 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.

Being a Private Limited Company, the provisions of Section 197 relating to Overall Managerial Remuneration and the relating rules 4,5,7 of The Companies (Appointment and Remuneration of Managerial Personnel), Rules 2014 are not applicable to the Company.

However, the Company would like to update on the details of the employees who 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 as under:

- During the year, Mr S Ramachandran Managing Director of the Company has exercised the Share option allotted to him by Renold Plc. He has exercised 83,174 Shares of Renold Plc and the total value of the same was INR 47,44,232. Being a perquisite under the Income Tax Act, necessary Taxes has been deducted and has been remitted by the Company. The total remuneration received by Mr S Ramachandran, Managing Director (including the perquisites) during the year amounts to INR 1,38,24,232/- (Rupees One Crore Thirty-Eight Lakhs Twenty Four Thousand Four Hundred and Thirty Two only).

#### **CORPORATE SOCIAL RESPONSIBILITY**

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 is discharged by the Board of Directors of the Company. The CSR Policy is available on the Company's website at <https://www.renold.in/company/investor-relations>

The Company is bound to spend INR 20.46 Lakhs towards Corporate Social Responsibility activities during the financial year 2024-25 and against which the company has spent INR 20.75 Lakhs.

The Company's CSR policy statement and annual report on CSR activities undertaken during the financial year ended 31st March 2025, 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 B**.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3) (C) read with section 134 (5) of the Companies Act, 2013 the Board of Directors confirm that, to the best of their knowledge and belief:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. That the Directors had selected such accounting policies and applied them consistently and made 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 as at the end of the financial year and of the profit and loss of the company for that period;
- iii. The 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 had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively and
- vi. The Directors had devised Proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

**ADEQUACY OF INTERNAL FINANCIAL 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.

**AUDITORS**

**STATUTORY AUDITORS**

As per Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the Members of the Company, at their 15<sup>th</sup> Annual General Meeting ('15<sup>th</sup> AGM') held on 29<sup>th</sup> September 2023, had approved the re-appointment of M/s. M S K A & Associates, Chartered Accountants (Firm Registration No. 105047W), as the Statutory Auditors of the Company to hold such office for a term of five consecutive years from the conclusion of 15<sup>th</sup> AGM till the conclusion of 20<sup>th</sup> AGM to be held during the year 2028. Accordingly, no resolution for appointment of statutory auditors is included in the Notice convening the 17<sup>th</sup> Annual General Meeting.

The Company has also obtained necessary consent under Section 139 and eligibility certificate under Section 141 from the Statutory Auditors to the effect that their appointment is in conformity with the provisions of the Companies Act, 2013.

**COST AUDITOR**

The Company has made and maintained cost records as specified by the Central Government under Section 148(1) of the Companies Act 2013 and accordingly such accounts and records are maintained by the Company.

In terms of the provisions of sec 148 of the Act read with the Companies (Cost Records and Audit) Rules 2014, the Board of Directors of the Company had appointed Mr B Venkateswar (Membership No. 27622) Cost Accountant as the Cost Auditor to conduct an audit of cost records of the Company for the Financial year 2024-25 and the remuneration payable to him, subject to ratification by the Members by means of passing Ordinary Resolution. As required under the provisions of section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, necessary ordinary resolution seeking Member's ratification for the remuneration payable to the Cost Auditor is included in the Notice convening the 17<sup>th</sup> Annual General Meeting of the Company.

Further, the Cost Audit Report for the Financial Year 2024-25 will be filed with the Central Government in the prescribed form within the period stipulated under the Companies Act 2013.

**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 2024-25.

**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**

Your Company is a Wholly Owned Subsidiary Company of Renold Public Limited Company, United Kingdom. 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.

**COMMENTS ON AUDITOR'S REPORT**

The Auditors' Report does not contain any qualification, reservation, or adverse remark on the financial statements for the financial year ended March 31, 2025.

The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

**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, no guarantees (or) no investments were given by the Company as mentioned under section 186 of the Companies Act, 2013 during the financial year 2024-25.

Disclosure on particulars relating to Loans, Advances, Guarantees, and Investments, if any are provided as part of the financial statements.

**PARTICULAR OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

During the financial year 2024-25, 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 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 attached as Annexure A.

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 A** to this report.

**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, replacing light with solar lights.

**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. 17,62,57,380
- II. Foreign Exchange used : Rs. 22,19,75,034

**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 REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

Pursuant to the provisions of Companies (Account) Rules 2014, 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.

**CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)**

The Company has not made any application or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 ("IBC Code") during the Financial Year and does not have any proceedings related to IBC Code.

**DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

The Company has not made any onetime settlement during the Financial Year 2024-25 with Banks or Financial Institution and hence, the disclosure under this clause is not applicable.

**ANNUAL RETURN**

Pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, copies of the Annual Returns of the Company for previous financial years prepared in accordance with Section 92(1) of the Act have been placed on the website and is available at <https://www.renold.in/company/investor-relations/annual-returns>.

**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 any such complaints arising under Posh Act. Training / awareness programmes were conducted throughout the year to create sensitivity towards ensuring a respectable workplace.

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 C**.

**MATERNITY BENEFIT**

The Company affirms that it has duly complied with all provisions of the Maternity Benefit Act, 1961, and has extended all statutory benefits to eligible women employees during the year.

## **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.

#### **ENVIROMENT HEALTH AND SAFETY**

The Company carries out activities with due attention to Environment, Health & Safety. The Company is committed to maintain its operations and workplace free from incidents and significant risk to the Health & Safety of its stakeholders through improved engineering practises, constant communication, safety awareness, robust checking system and sound training practises and through audits. Safety Awareness are created amongst the workforce by providing the refresher training to the employees by the qualified safety officer of the Company, conducting monthly safety competitions and rewarding the employees, celebrating the Safety Day during March Month, Conducting Mock Drill & Fire Drill etc. Each 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 necessary Personal Protective Equipment’s. This provides an additional layer to ensure that facilities are as safe as possible for every employee. As a result, there were no fatal accidents during Financial Year 2024-25.

**INSURANCE**

The Company's plants, properties, equipment's and stocks are adequately insured against all major risks. The Company has insurance cover for product liability. The Company has also taken Directors' and Officers' Liability Policy to provide coverage against the liabilities arising on them.

**ACKNOWLEDGEMENT**

Your Directors have pleasure in recording their appreciation for the committed services by all the employees of the Company. The Board would also like to express its sincere appreciation for all the guidance and co-operation received from all its customers, Members, investors, vendors, partners, bankers, government and regulatory authorities and other stakeholders for their consistent support to your Company in its operations.

Your Directors take this opportunity to place on record their sincere appreciation of the dedication, contribution and commitment in Company's growth.

<p><b>Date: 26.09.2025</b></p>	<p style="text-align: center;"><b>By Order of the Board</b></p> <table><tr><td data-bbox="507 898 798 1039"><p><b>S. RAMACHANDRAN MANAGING DIRECTOR DIN NO: 03535894 Place: Dindigul</b></p></td><td data-bbox="1027 898 1347 1039"><p><b>JAMES ROBERT HAUGHEY DIRECTOR DIN NO: 09321105 Place: United Kingdom</b></p></td></tr></table>	<p><b>S. RAMACHANDRAN MANAGING DIRECTOR DIN NO: 03535894 Place: Dindigul</b></p>	<p><b>JAMES ROBERT HAUGHEY DIRECTOR DIN NO: 09321105 Place: United Kingdom</b></p>
<p><b>S. RAMACHANDRAN MANAGING DIRECTOR DIN NO: 03535894 Place: Dindigul</b></p>	<p><b>JAMES ROBERT HAUGHEY DIRECTOR DIN NO: 09321105 Place: United Kingdom</b></p>		

**ANNEXURE 'A' 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: There were no transactions or arrangements which were not at arm's length, and which were not in the ordinary course of business during financial year 2024-25.
2. Details of material contracts or arrangements or transactions at arm's length basis:

<b>S.No</b>	<b>Particulars</b>	<b>Details</b>
a)	Name(s) of the related party and nature of relationship	1. Name: Jeffery Chain Corporation Relationship: Fellow Subsidiary Company 2. Name: Renold PLC Relationship: Ultimate Holding Company
b)	Nature of contracts / arrangements / transactions	1. Sale/ Purchase of industrial chains and/ or its components 2. Availing of Management related services and/or; Availing of IT/ Insurance related services and/or; Availing of M3 Consulting services and /or; Purchase of IT Hardware related items and/or; Purchase of Fixed Assets.
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	28.05.2024
f)	Amount paid as advances, if any	NIL
<b>Date: 26.09.2025</b>	<b>By order of the Board</b>	
	<b>S. Ramachandran Managing Director DIN No: 03535894 Place: Dindigul</b>	<b>James Robert Haughey Director DIN No: 09321105 Place: United Kingdom</b>

**ANNEXURE 'B' 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 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)**

Not Applicable

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

NIL

**6. Average net Profit of the Company as per section 135 (5)**

Rs.10,23,21,000

**7. (a) Two Percentage of average net profit of the Company as per section 135 (5)**

Rs.20,46,420

(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)	Rs.20,46,420

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
₹20,75,000	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 of implementation through implementing Agency	
				State	District						Name	CSR Registration Number
1	Renovation of classroom at Guziliamparai Government Higher Secondary School	Schedule VII (ii)	Yes	Tamil Nadu	Dindigul	6 months (Covers 2 F.Y – 2024-25; 2025-26)	22,42,000	20,75,000	-	Yes	NA	NA
	Total						22,42,000	20,75,000				

(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	NIL	NA	NA	NA	NA	NA	NA	NA	NA
	Total					NA			

## Renold Chain India Private Limited

- (d) Amount spent in Administrative Overheads : NA
- (e) Amount spent on Impact Assessment, if applicable : NA
- (f) Total amount spent for the Financial Year : Rs. 20,75,000  
(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)	20,46,420
(ii)	Total amount spent for the Financial Year	20,75,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	28,580
(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)]	28,580

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

S.No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs)	Amount spent in the reporting Financial Year (in Rs)	Amount transferred to any fund specified under schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs)
				Name of the Fund	Amount (in Rs)	Date of Transfer	
1	2023-24	NIL		Not Applicable			
2	2022-23	NIL					
3	2021-22	NIL					
Total		NIL					

- (b) Details of CSR amount Spent in Financial Year for Ongoing Projects of the preceding financial years: NIL

**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

<b>Date: 26.09.2025</b>	<p><b>By order of the Board</b></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <p><b>S. Ramachandran</b>  <b>Managing Director</b>  <b>DIN No: 03535894</b>  <b>Place: Dindigul</b></p> </td> <td style="width: 50%; vertical-align: top;"> <p><b>James Robert Haughey</b>  <b>Director</b>  <b>DIN No: 09321105</b>  <b>Place: United Kingdom</b></p> </td> </tr> </table>	<p><b>S. Ramachandran</b>  <b>Managing Director</b>  <b>DIN No: 03535894</b>  <b>Place: Dindigul</b></p>	<p><b>James Robert Haughey</b>  <b>Director</b>  <b>DIN No: 09321105</b>  <b>Place: United Kingdom</b></p>
<p><b>S. Ramachandran</b>  <b>Managing Director</b>  <b>DIN No: 03535894</b>  <b>Place: Dindigul</b></p>	<p><b>James Robert Haughey</b>  <b>Director</b>  <b>DIN No: 09321105</b>  <b>Place: United Kingdom</b></p>		

## ANNEXURE 'C' TO BOARD'S REPORT

### Annual Report on Complaints received by the Sexual Harassment Committee during the Financial Year Ended 31.03.2025

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

1. Number of Meeting held during the year : 2
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 2024-25.

	<b>By order of the Board</b>	
<b>Date: 26.09.2025</b>	<b>S. Ramachandran Managing Director DIN No: 03535894 Place: Dindigul</b>	<b>James Robert Haughey Director DIN No: 09321105 Place: United Kingdom</b>

# **RENOLD**

## **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 March 31, 2025, the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **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 Director's report along with annexures but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Director's Report along with annexures has not been made available to us as at the date of this auditor's report. We have nothing to report in this regard.

#### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Management and Board of Directors are 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 loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant

## **RENOLD**

to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that in the absence of sufficient appropriate audit evidence we are unable to comment whether the backup of the books of account and other books and papers maintained in electronic mode have been kept in servers physically located in India on a daily basis and except for the matters stated in paragraph 2(h)(vi) below on reporting under Rule 11(g).
  - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).
  - (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

(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, 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 - Refer Note 29 to the 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.
  - (1) The Management has represented that, to the best of its knowledge and belief as disclosed in Note 34 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.
  - (2) The Management has represented, that, to the best of its knowledge and belief as disclosed in Note 34 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, as on the date of this audit report, 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.
  - (3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard 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 (1) and (2) above, contain any material misstatement.
- v. The Company has neither declared nor paid any dividend during the year.
- vi. Based on the information and explanations given to us, the Company has used an accounting software for maintaining its books of account, which has a feature of recording the audit trail (edit log) facility, except that audit trail feature was not enabled throughout the year for all relevant transactions and also not enabled at the database level to log any direct changes.

Further, where enabled, the audit trail feature has operated for the relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with in respect of such accounting software to the extent of enablement. Additionally, since the software was implemented during the year, reporting on preservation policy as per the statutory requirements for record retention is not applicable.

**RENOLD**

3. In our opinion, according to information, explanations given to us, the provisions of Section 197 and the rules thereunder are not applicable to the Company as it is a private Company.

**For M S K A & Associates**  
**Chartered Accountants**  
ICAI Firm Registration No. 105047W  
T V Ganesh  
Partner  
Membership No. 203370  
UDIN:25203370BMLEAY8055

Place: Chennai  
Date: September 26, 2025

## **RENOLD**

### **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF RENOLD CHAIN INDIA PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2025**

#### **Auditor's Responsibilities for the Audit of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- 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.

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.

**For M S K A & Associates**  
**Chartered Accountants**  
ICAI Firm Registration No. 105047W

T V Ganesh  
Partner  
Membership No.203370  
UDIN:25203370BMLEAY8055

Place: Chennai  
Date: September 26, 2025

## **RENOLD**

### **ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF RENOLD CHAIN INDIA PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2025**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a)A The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.  
B The Company has maintained proper records showing full particulars of intangible assets.
- (b) All the Property, Plant and Equipment were physically verified by the management in the preceding previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in Note 3 to the financial statements, are held in the name of the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment and intangible assets during the year. Accordingly, the requirement to report under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the requirement to report under clause 3(i)(e) of the Order is not applicable to the Company.
- ii. (a) The inventory (excluding goods-in-transit) has been physically verified by the management during the year. In respect of goods in transit, the goods have been received subsequent to the year end. In our opinion, the frequency, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) The Company has not been sanctioned any working capital limits during the year on the basis of security of current assets. Accordingly, the requirement to report under clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. According to the information explanation provided to us, the Company has not made any investments in, or provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report under clause 3(iii) of the Order is not applicable to the Company.
- iv. According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Act are applicable and accordingly, the requirement to report under clause 3(iv) of the Order is not applicable to the Company.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Act and the rules framed

## **RENOLD**

there under. Accordingly, the requirement to report under clause 3(iv) of the Order is not applicable to the Company.

- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year. No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2025, for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and the records examined by us, dues relating to income tax which have not been deposited as on March 31, 2025, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded Rs. In Lakhs	Amount Paid Rs. In Lakhs	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Notice for proceedings u/s 201(1) / 201(1A) of the Income Tax Act, 1961	33.00	6.60	2013-14	Deputy Commissioner of International Taxation, Coimbatore.
The Income Tax Act, 1961	Notice for proceedings u/s 201(1) / 201(1A) of the Income Tax Act, 1961	71.16	14.23	2014-15	Deputy Commissioner of International Taxation, Coimbatore.
The Income Tax Act, 1961	Notice for proceedings u/s 201(1) / 201(1A) of the Income Tax Act, 1961	44.56	8.91	2015-16	Deputy Commissioner of International Taxation, Coimbatore.
The Income Tax Act, 1961	Notice for proceedings u/s 201(1) / 201(1A) of the Income Tax Act, 1961	38.54	7.71	2016-17	Deputy Commissioner of International Taxation, Coimbatore.
The Income Tax Act, 1961	Notice for proceedings u/s 201(1) / 201(1A) of the Income Tax Act, 1961	2.08	0.00	2012-13	Assistant Commissioner of Income Tax, Chennai (Assessing Officer)
The Income Tax Act, 1961	Notice for proceedings u/s 201(1) / 201(1A) of the Income Tax Act, 1961	0.76	0.00	2017-18	Assistant

**RENOLD**

Act, 1961	proceedings u/s 201(1) / 201(1A) of the Income Tax Act, 1961				Commissioner of Income Tax, Chennai (Assessing Officer)
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There are no dues relating to provident fund, employees' state insurance, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other statutory dues which have not been deposited on account of any dispute.

- viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report under clause 3(viii) of the Order is not applicable to the Company.
- ix. The Company does not have any loans or borrowings or interest thereon due to any lenders during the year. Accordingly, the requirement to report under clause 3(ix)(a) to (f) of the Order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the requirement to report under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly, the requirement to report under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the year no report under Section 143(12) of the Act, has been filed by cost auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the requirement to report under clause 3(xii)(a) to (c) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, the provisions of section 177 of the Act are not applicable to the Company. Further, the transactions with the related parties are in compliance with Section 188 of the Act and details of such transactions have been disclosed in Note 33A to the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Act. Accordingly, the requirement to report under clause 3(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us, and based on our examination of the records of the Company, 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 accordingly, the requirement to report under clause 3(xv) of the Order is 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 (2 of 1934) and accordingly, the requirement to report under clause

## **RENOLD**

3(xvi)(a) of the Order is not applicable to the Company.

- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the requirement to report under clause 3(xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group). Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the requirement to report under clause 3(xviii) of the Order are not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in Note 35 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund as specified in Schedule VII of the Act as disclosed in Note 25.2 to the financial statements.

(b) There are no ongoing projects and accordingly reporting under Clause 3(xx)(b) of the Order is not applicable to the Company.

**For M S K A & Associates**  
**Chartered Accountants**  
ICAI Firm Registration No. 105047W  
T V Ganesh  
Partner  
Membership No. 203370  
UDIN:25203370BMLEAY8055

Place: Chennai  
Date: September 26, 2025

## **RENOLD**

### **ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF RENOLD CHAIN INDIA PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2025**

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Renold Chain India Private Limited on the Financial Statements for the year ended March 31, 2025]

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

We have audited the internal financial controls with reference to financial statements of Renold Chain India Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

#### **Management's and Board of Director's Responsibility for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by 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.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

## **RENOLD**

### **Meaning of Internal Financial Controls With reference to Financial statements**

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

### **Inherent Limitations of Internal Financial Controls With reference to Financial statements**

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

**For M S K A & Associates**  
**Chartered Accountants**  
ICAI Firm Registration No. 105047W  
T V Ganesh  
Partner  
Membership No.203370  
UDIN:25203370BMLEAY8055

Place: Chennai  
Date: September 26, 2025

# RENOLD

Renold Chain India Private Limited				
Balance sheet as at March 31, 2025				
All amounts are in Rs. Lakhs unless otherwise stated				
PARTICULARS	Note No.	As at 31 March 2025	As at 31 March 2024	
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
a) Property, Plant and Equipment	3	2,267.97	2,297.12	
b) Right of Use Assets	3B	27.80	-	
c) Capital work-in-progress	3A	407.69	91.08	
c) Intangible assets	4	2,419.60	998.55	
d) Intangible assets under development	4A	19.88	-	
e) Financial assets				
i) Other financial assets	5	77.54	69.18	
f) Income Tax Assets (net)	10	207.03	90.43	
g) Other non-current assets	6	227.09	143.10	
<b>Total</b>		<b>5,654.60</b>	<b>3,689.46</b>	
<b>Current assets</b>				
a) Inventories	7	2,785.08	2,606.34	
b) Financial assets				
i) Trade receivables	8	1,539.17	1,014.98	
ii) Cash and cash equivalents	9	645.85	1,586.11	
iii) Bank balances other than (ii) above	9	800.00	-	
iv) Other financial assets	5	16.13	3.44	
c) Other current assets	6	516.35	172.92	
<b>Total</b>		<b>6,302.58</b>	<b>5,383.79</b>	
<b>TOTAL ASSETS</b>		<b>11,957.18</b>	<b>9,073.25</b>	
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
a) Equity share capital	13	3,075.00	3,075.00	
b) Other equity	14	4,456.74	3,472.60	
<b>Total</b>		<b>7,531.74</b>	<b>6,547.60</b>	
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
a) Financial liabilities				
i) Borrowings	12	1,397.90	-	
ii) Lease Liabilities	12A	18.41	-	
b) Deferred tax liabilities (net)	11	256.92	102.92	
<b>Total</b>		<b>1,673.23</b>	<b>102.92</b>	
<b>Current Liabilities</b>				
a) Financial liabilities				
i) Trade payables				
- total outstanding dues of micro enterprises and small enterprises	15	389.27	164.31	
- total outstanding dues of creditors other than micro e		2,180.27	1,954.35	
ii) Lease Liabilities	12A	11.22	-	
b) Other financial liabilities	16	46.21	39.57	
c) Other current liabilities	18	81.30	164.67	
d) Provisions	17	43.94	99.83	
<b>Total</b>		<b>2,752.21</b>	<b>2,422.73</b>	
<b>Total Liabilities</b>		<b>4,425.44</b>	<b>2,525.65</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>11,957.18</b>	<b>9,073.25</b>	
Material Accounting Policies	2			
The accompanying notes are an integral part of these financial statements				
In terms of our report attached				
<b>For M S K A &amp; Associates</b> Chartered Accountants Firm Registration No.:105047W <b>T.V.Ganesh</b> Partner Membership No. 203370 Place: Chennai		<b>For and on behalf of the Board of Directors</b>  <b>S. Ramachandran</b> Managing Director DIN: 03535894 Place : Dindigul  <b>T. Vinoth Kumar</b> Company Secretary FCS No.F10471 Place: Dindigul		
		<b>James Robert Haughey</b> Director DIN: 09321105 Place: United Kingdom  <b>V A David</b> General Manager - F & A Place : Dindigul		
Date: September 26, 2025		Date: September 26, 2025		

# RENOLD

Renold Chain India Private Limited				
Statement of Profit and Loss for the year ended March 31, 2025				
All amounts are in Rs. Lakhs unless otherwise stated				
S. No.	Particulars	Note No.	For the year ended 31 March 2025	For the year ended 31 March 2024
	<b>REVENUE:</b>			
I	Revenue from operations	19	11,731.61	9,908.91
II	Other income	20	167.95	103.29
III	<b>Total Income (I+II)</b>		<b>11,899.56</b>	<b>10,012.20</b>
	<b>EXPENSES:</b>			
IV	Cost of Raw materials consumed	21(a)	5,314.86	4,919.62
	Purchases of Stock in Trade		374.58	222.29
	Changes in inventories of finished goods and work-in-progress	21(b)	(192.99)	(426.95)
	Employee Benefits Expense	22	1,416.87	1,374.02
	Finance Costs	23	66.61	0.00
	Depreciation and Amortization Expense	24	631.87	259.54
	Other Expenses	25	3,043.60	2,967.61
	<b>Total expenses</b>		<b>10,655.40</b>	<b>9,316.13</b>
V	<b>Profit before tax (III - IV)</b>		<b>1,244.16</b>	<b>696.07</b>
VI	<b>Tax expense</b>			
	a) Current tax	26	110.00	146.01
	b) Deferred tax	26	153.00	51.57
	<b>Total tax expense (net)</b>		<b>263.00</b>	<b>197.58</b>
VII	<b>Profit for the year (V - VI)</b>		<b>981.16</b>	<b>498.49</b>
VIII	<b>Other comprehensive income</b>			
	<b>A. Items that will not be reclassified to profit or loss</b>			
	(i) Remeasurement gain on defined benefit obligation		3.98	3.47
	(ii) Income tax relating to items that will not be reclassified to profit or loss	26	(1.00)	(0.87)
	<b>Total other comprehensive income</b>		<b>2.98</b>	<b>2.60</b>
IX	<b>Total comprehensive income for the year (VII + VIII)</b>		<b>984.14</b>	<b>501.09</b>
	<b>Earnings per equity share (Face value of Rs. 10/- each)</b>			
	Basic (in Rs.)	27	3.19	1.62
	Diluted (In Rs.)	27	3.19	1.62
	The accompanying notes are an integral part of these financial statements			
	In terms of our report attached			
	<b>For M S K A &amp; Associates</b> Chartered Accountants Firm Registration No.:105047W <b>T.V.Ganesh</b> Partner Membership No. 203370 Place: Chennai		<b>For and on behalf of the Board of Directors</b>  <b>S. Ramachandran</b> Managing Director DIN: 03535894 Place: Dindigul  <b>T. Vinoth Kumar</b> Company Secretary FCS No.F10471 Place: Dindigul	
	Date: September 26, 2025		<b>James Robert Haughey</b> Director DIN: 09321105 Place: United Kingdom  <b>V A David</b> General Manager - F&A Place: Dindigul  Date: September 26, 2025	

**Renold Chain India Private Limited**  
**Statement of Cash Flows for the year ended March 31, 2025**  
**All amounts are in Rs. Lakhs unless otherwise stated**

Sl. No.	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
	<b>Profit for the year</b>	<b>981.16</b>	<b>498.49</b>
	<b>Adjustment for :</b>		
	Income Tax Expense	263.00	197.58
	Depreciation and Amortization Expense	631.88	259.54
	Finance Costs	66.61	-
	Interest Income	(61.74)	(49.40)
	Gain on disposal of property, plant and equipment	(30.90)	(7.17)
	Unrealised gains on foreign currency transactions	(22.98)	(4.64)
	Provision for Expected Credit Losses	-	5.39
	Provision no longer required written back	(33.11)	(46.72)
	Provision for Warranty	-	92.81
		<b>1,793.92</b>	<b>945.88</b>
	<b>Adjustments for (increase) / decrease in:</b>		
	Trade receivables	(501.21)	257.42
	Inventories	(178.74)	(455.94)
	Other financial assets	(7.78)	4.78
	Other assets	(339.15)	(113.13)
	<b>Adjustments for increase / (decrease) in:</b>		
	Trade payables	483.98	585.99
	Other financial liabilities	(1.99)	(120.48)
	Other current liabilities	(83.37)	8.99
	Provisions	(55.89)	(0.75)
	<b>Cash generated from operations</b>	<b>1,109.77</b>	<b>1,112.76</b>
	Income taxes (paid)	(226.60)	(221.03)
	<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>883.17</b>	<b>891.73</b>
<b>B.</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES :</b>		
	Payments for property, plant and equipment and intangible assets (including Capital Work in Progress and Capital Advances net of capital creditors)	(2,451.31)	(955.90)
	Proceeds from disposal of property, plant and equipment	30.90	18.91
	Interest received	48.47	49.40
	Investment / Redemption of Fixed Deposits	(800.00)	1.50
	<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(3,171.94)</b>	<b>(886.09)</b>
<b>C.</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES :</b>		
	Proceeds from Long term borrowings	1,397.90	-
	Payments towards Lease Liabilities	(12.66)	-
	Interest paid	(36.73)	-
	<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<b>1,348.51</b>	<b>-</b>
	<b>NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(940.26)</b>	<b>5.64</b>
	<b>Opening Balance of Cash and Cash Equivalents</b>	<b>1,586.11</b>	<b>1,580.47</b>
	<b>Closing Balance of Cash and Cash Equivalents (Refer Note 9)</b>	<b>645.85</b>	<b>1,586.11</b>

In terms of our report attached

**For M S K A & Associates**  
Chartered Accountants  
Firm Registration No.:105047W  
**T V Ganesh**  
Partner  
Membership No. 203370  
Place: Chennai

**S. Ramachandran**      **James Robert Haughey**  
Managing Director      Director  
DIN: 03535894      DIN: 09321105  
Place: Dindigul      Place: United Kingdom

**T. Vinoth Kumar**      **V A David**  
Company Secretary      General Manager - F & A  
FCS No.F10471      Place : Dindigul  
Place: Dindigul

Date: September 26, 2025

Date: September 26, 2025

**Renold Chain India Private Limited**  
**Statement of Changes in Equity for the year ended March 31, 2025**  
**All amounts are in Rs. Lakhs unless otherwise stated**

**A. Equity Share Capital**

Particulars	Amount
	<b>3,075.00</b>
Changes in Equity Share capital during the year	-
Changes in Equity Share capital during the year	<b>3,075.00</b>
	<b>3,075.00</b>

**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		
	<b>1,946.51</b>	-	<b>1,025.00</b>	<b>2,971.51</b>
	498.49	-	-	498.49
ation	2.60	2.60	-	2.60
	<b>2,447.60</b>	<b>(2.60)</b>	<b>1,025.00</b>	<b>3,472.60</b>
	981.16	-	-	981.16
ation	-	2.98	-	2.98
	2.98	<b>(2.98)</b>	-	-
	<b>3,431.74</b>	-	<b>1,025.00</b>	<b>4,456.74</b>

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.  
The accompanying notes are an integral part of these financial statements

In terms of our report attached

**For M S K A & Associates**  
Chartered Accountants  
Firm Registration No.:105047W  
**T V Ganesh**  
Partner  
Membership No. 203370  
Place: Chennai

**For and on behalf of the Board of Directors**

**S. Ramachandran**  
Managing Director  
DIN: 03535894  
Place: Dindigul

**James Robert Haughey**  
Director  
DIN: 09321105  
Place: United Kingdom

**T. Vinoth Kumar**  
Company Secretary  
FCS No.F10471  
Place: Dindigul

**V A David**  
General Manager - F & A  
Place : Dindigul

Date: September 26, 2025

Date: September 26, 2025

# ***RENOLD***

## **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 MATERIAL 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.

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. Estimation of provisioning over inventories:**

In estimating the net realizable value of inventories, the Company makes an estimate of future selling prices and cost necessary to make the sale. In making the provision over inventories, the management uses assumptions and estimates that are reasonable and prudent in the circumstances. 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.

**2.5 Revenue recognition:**

Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services, regardless of when the payment is being made. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. The Company is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

**2.6 Foreign Currency Transactions:****(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.

**2.7 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 and regions in which the Company operates. 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.

**2.8 Employee benefits****2.8.1 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.

## **2.8.2 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.

## **2.9 Taxation**

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

### **(i) Current Income taxes**

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.

### **(ii) Deferred Income taxes**

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.

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.

### **(iii) Current and deferred tax for the year**

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.

## **2.10 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. 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

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expenditure is capitalized as the activities undertaken improves the economic benefits expected to arise from the asset.

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.

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 are not depreciated.

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 less than or equal to the following:

- |      |                          |                  |
|------|--------------------------|------------------|
| 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        |

### **2.11 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:

Computer Software                      - 5 years

- (iv) Intangible assets under development are classified and disclosed separately. The costs of the intangible asset is capitalized once the development is completed. Costs associated with maintaining software are recognised as an expense as incurred. Development Cost that are directly attributable to the design and testing of identifiable and unique software products are recognised as intangible assets where the criteria for recognition are met. Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

## **2.12 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.

## **2.13 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.

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## **2.14 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.

## **2.15 Financial assets:**

### **2.15.1 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.

### **2.15.2 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

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- 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 previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

### **2.15.3 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.

### **2.15.4 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 lifetime 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.

#### **2.15.5 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

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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.

### **2.15.6 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.

### **2.16 Financial liabilities and equity instruments:**

#### **2.16.1 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.

#### **2.16.2 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.

#### **2.16.3 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.

##### **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

#### **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 / expenses.

#### **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.

### **2.17 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.

### **2.18 Rounding off amounts**

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

### **2.19 Amendments to Ind AS effective from April 01 ,2025:**

#### **Amendments to Ind AS 1 and Ind AS 10: Classification of Liabilities as Current or Non- Current**

These amendments are introduced to clarify the requirements on determining whether a liability is current or non-current and require new disclosures for non-current liabilities that are subject to future covenants. These amendments apply for the annual reporting periods beginning on or after April 1, 2025, while certain amendments are effective for annual reporting periods beginning on or after April 1, 2026. These amendments are not expected to have any impact on the Company's financial statements

#### **Amendments to Ind AS 107 and Ind AS 7: Supplier Finance Arrangements**

These amendments introduce new disclosures relating to supplier finance arrangements that assist users of the financial statements to assess the effects of these arrangements on an entity's liabilities and cash flows and on an entity's exposure to liquidity risk. The amendments apply for the annual reporting periods beginning on or after April 1, 2025.

These amendments are not expected to have any impact on the Company's financial statements as the Company has not entered into supplier finance arrangements within the scope of the amendments.

**Amendments to Ind AS 21: The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability)**

These amendments require assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable and also requires specific disclosures viz. the nature and financial effects of the currency not being exchangeable, the spot exchange rates used, the estimation process, and the risks to which the entity is exposed because of the currency not being exchangeable. The amendment also lays down transition requirements, while specifically stating that an entity shall not restate comparative information in applying Lack of Exchangeability. These amendments are effective from April 1, 2025; however, these amendments are not expected to have a material impact on the Company's financial statements as the Company's transactions are limited to currencies that are freely convertible and exchangeable, and management has assessed that no significant restrictions apply to its operations.

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(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)****Property, Plant and Equipment**

Particulars	As at March 31, 2025	As at March 31, 2024
Land	178.70	178.70
Buildings	655.51	686.41
Plant and Machinery	1,188.30	1,115.22
Electrical Installations	70.65	80.76
Computers	74.64	94.32
Office Equipment	90.32	102.97
Furniture and Fixtures	2.37	9.79
Vehicles	7.48	28.95
	<b>2,267.97</b>	<b>2,297.12</b>

Cost (Deemed Cost)	Land	Buildings	Plant and Machinery	Electrical Installations	Computers	Office Equipments	Furniture and Fixtures	Vehicles	Total
<b>Balance as at April 01, 2023</b>	<b>180.61</b>	<b>565.53</b>	<b>1,998.18</b>	<b>153.69</b>	<b>136.00</b>	<b>46.52</b>	<b>20.75</b>	<b>81.63</b>	<b>3,182.91</b>
Additions	-	211.26	394.81	6.95	78.15	87.51	2.95	-	781.63
Disposals	(1.91)	-	(312.17)	-	-	-	-	-	(314.08)
<b>Balance as at March 31, 2024</b>	<b>178.70</b>	<b>776.79</b>	<b>2,080.82</b>	<b>160.64</b>	<b>214.15</b>	<b>134.03</b>	<b>23.70</b>	<b>81.63</b>	<b>3,650.46</b>
Additions	-	-	243.89	-	9.81	-	-	-	253.70
Disposals	-	-	(300.00)	-	(88.97)	-	-	-	(388.97)
<b>Balance as at March 31, 2025</b>	<b>178.70</b>	<b>776.79</b>	<b>2,024.71</b>	<b>160.64</b>	<b>134.99</b>	<b>134.03</b>	<b>23.70</b>	<b>81.63</b>	<b>3,515.19</b>

Accumulated depreciation and impairment	Land	Buildings	Plant and Machinery	Electrical installations	Computers	Office Equipments	Furniture and fixtures	Vehicles	Total
<b>Balance as at April 01, 2023</b>	-	<b>71.61</b>	<b>1,086.64</b>	<b>65.31</b>	<b>110.62</b>	<b>20.26</b>	<b>8.47</b>	<b>46.82</b>	<b>1,409.73</b>
Additions	-	18.77	181.31	14.57	9.21	10.80	5.44	5.86	245.96
Eliminated on disposals of assets	-	-	(302.35)	-	-	-	-	-	(302.35)
<b>Balance as at March 31, 2024</b>	-	<b>90.38</b>	<b>965.60</b>	<b>79.88</b>	<b>119.83</b>	<b>31.06</b>	<b>13.91</b>	<b>52.68</b>	<b>1,353.34</b>
Additions	-	30.90	170.81	10.11	29.49	12.65	7.42	21.47	282.85
Eliminated on disposals of assets	-	-	(300.00)	-	(88.97)	-	-	-	(388.97)
<b>Balance as at March 31, 2025</b>	-	<b>121.28</b>	<b>836.41</b>	<b>89.99</b>	<b>60.35</b>	<b>43.71</b>	<b>21.33</b>	<b>74.15</b>	<b>1,247.22</b>
<b>Carrying amount as at March 31, 2025</b>	<b>178.70</b>	<b>655.51</b>	<b>1,188.30</b>	<b>70.65</b>	<b>74.64</b>	<b>90.32</b>	<b>2.37</b>	<b>7.48</b>	<b>2,267.97</b>
<b>Carrying amount as at March 31, 2024</b>	<b>178.70</b>	<b>686.41</b>	<b>1,115.22</b>	<b>80.76</b>	<b>94.32</b>	<b>102.97</b>	<b>9.79</b>	<b>28.95</b>	<b>2,297.12</b>

(i) The title deeds of all immovable properties (except where the Company has taken a property on lease and the lease agreements are in favour of the lessor) are held in the name of the Company.

(ii) The Company does not hold any benami property. No proceedings have been initiated or are pending against the Company under the Benami Transactions (Prohibitions) Act 1988 and rules made thereunder as of the date of approval of these financial statements.

**3A Capital Work-in-Progress**

Capital work in progress movement	Amount
<b>Balance as at March 31, 2023</b>	<b>454.88</b>
Additions during the year	65.17
Capitalized during the year	(428.97)
<b>Balance as at March 31, 2024</b>	<b>91.08</b>
Additions during the year	570.31
Capitalized during the year	(253.70)
<b>Balance as at March 31, 2025</b>	<b>407.69</b>

**Note:**

(i) The ageing of capital work in progress is as under:

Particulars	Amount in capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2025</b>					
Projects in progress	384.80	22.89	-	-	407.69
Projects temporarily suspended	-	-	-	-	-
<b>As at March 31, 2024</b>					
Projects in progress	65.17	25.91	-	-	91.08
Projects temporarily suspended	-	-	-	-	-

(ii) There are no projects under capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan as on March 31, 2025 and March 31, 2024.

**RENOLD**

Notes to the financial statements for the year ended 31 March 2025  
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

**3B Right of Use Assets**

Carrying amounts	As at	
	31 March 2025	31 March 2024
Right of Use Assets	27.80	0.00
<b>Total</b>	<b>27.80</b>	<b>0.00</b>

Cost or deemed cost	Right of Use Assets	Total
<b>Balance as at March 31, 2024</b>	-	-
Additions	39.30	39.30
Disposals	-	-
<b>Balance as at March 31, 2025</b>	<b>39.30</b>	<b>39.30</b>

Accumulated depreciation and impairment	Right of Use Assets	Total
<b>Balance as at March 31, 2024</b>	-	-
Amortization expense	11.50	11.50
<b>Balance as at March 31, 2025</b>	<b>11.50</b>	<b>11.50</b>

Carrying amount	Right of Use Assets	Total
<b>Balance as at March 31, 2024</b>	-	-
<b>Balance as at March 31, 2025</b>	<b>27.80</b>	<b>27.80</b>

**RENOLD****Notes to the financial statements for the year ended 31 March 2025  
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)****4 Intangible assets**

Carrying amounts	As at	
	March 31, 2025	March 31, 2024
Computer Software	2,419.60	998.55
<b>Total</b>	<b>2,419.60</b>	<b>998.55</b>

Cost or deemed cost	Computer Software	Total
<b>Balance as at April 01, 2023</b>	<b>18.23</b>	<b>18.23</b>
Additions	1,001.57	1,001.57
Disposals	-	-
<b>Balance as at March 31, 2024</b>	<b>1,019.80</b>	<b>1,019.80</b>
Additions	1,758.57	1,758.57
Disposals	-	-
<b>Balance as at March 31, 2025</b>	<b>2,778.37</b>	<b>2,778.37</b>

Accumulated depreciation and impairment	Computer Software	Total
<b>Balance as at April 01, 2023</b>	<b>7.67</b>	<b>7.67</b>
Amortization expense	13.58	13.58
<b>Balance as at March 31, 2024</b>	<b>21.25</b>	<b>21.25</b>
Amortization expense	337.52	337.52
<b>Balance as at March 31, 2025</b>	<b>358.77</b>	<b>358.77</b>

Carrying amount	Computer Software	Total
<b>Balance as at March 31, 2024</b>	<b>998.55</b>	<b>998.55</b>
<b>Balance as at March 31, 2025</b>	<b>2,419.60</b>	<b>2,419.60</b>

**4A Intangible Assets Under Development**

Particulars	Amount
<b>Balance as at March 31, 2023</b>	<b>592.58</b>
Additions during the year	408.99
Capitalized during the year	(1,001.57)
<b>Balance as at March 31, 2024</b>	<b>-</b>
Additions during the year	19.88
Capitalized during the year	-
<b>Balance as at March 31, 2025</b>	<b>19.88</b>

The ageing of intangible assets under development is as under:

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2025</b>					
Projects in progress	19.88	-	-	-	19.88
Projects temporarily suspended	-	-	-	-	-
<b>As at March 31, 2024</b>					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

There are no intangible assets under development whose completion is overdue nor has exceeded its cost compared to its original plan

**RENOLD**

Notes to the financial statements for the year ended 31 March 2025  
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

**5 Other financial assets**

Particulars	As at	
	March 31, 2025	March 31, 2024
<b>Unsecured and considered good unless otherwise stated</b>		
<b>At amortised cost</b>		
<b>Non-current:</b>		
Security deposits	77.54	69.18
<b>Total</b>	<b>77.54</b>	<b>69.18</b>
<b>Current:</b>		
Export incentive receivable	2.86	3.44
Interest receivable	13.27	-
<b>Total</b>	<b>16.13</b>	<b>3.44</b>

**6 Other assets**

Particulars	As at	
	March 31, 2025	March 31, 2024
<b>Unsecured and considered good unless otherwise stated</b>		
<b>Non-current:</b>		
Capital Advances	188.25	103.97
Prepaid Expenses	-	1.68
Gratuity Asset (Net)	1.39	-
Balances with government authorities	37.45	37.45
<b>Total</b>	<b>227.09</b>	<b>143.10</b>
<b>Current:</b>		
Prepaid expenses	63.19	34.97
Advance to Suppliers and Others	12.86	16.11
Balances with government authorities	440.30	119.97
Loans and advances to employees	-	1.87
<b>Total</b>	<b>516.35</b>	<b>172.92</b>

**RENOLD****Notes to the financial statements for the year ended 31 March 2025  
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)****7 Inventories (Lower of Cost and Net Realisable Value)**

Particulars	As at	
	March 31, 2025	March 31, 2024
Raw materials	881.63	895.88
Work-in-progress	1,003.54	196.54
Finished goods (Refer Note No. 7.1 below)	899.91	1,513.92
<b>Total</b>	<b>2,785.08</b>	<b>2,606.34</b>

7.1 Goods in transit included in Finished Goods amounts to Rs. 60.57 Lakhs (March 31, 2024: Rs. 90.24 Lakhs)

Particulars	2024-25	2023-24
The cost of inventories recognised as an expenses during the year	5,121.87	4,492.67
The cost of inventories recognised as an expense, includes write down of inventory to net realisable value, amounting to	323.72	317.24

**8 Trade Receivables  
At Amortised Cost**

Particulars	As at	
	March 31, 2025	March 31, 2024
(a) Receivables - Considered good*	1,539.17	1,014.98
(b) Receivables - Credit Impaired	27.88	56.00
	<b>1,567.05</b>	<b>1,070.98</b>
Less: Expected Credit Loss	(27.88)	(56.00)
<b>Total</b>	<b>1,539.17</b>	<b>1,014.98</b>

\*Refer Note 33a for Receivables from Related Parties - Rs 178.77 Lakhs (March 31, 2024: Rs.103.00 Lakhs)

**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.

**8.2 Expected credit loss allowance**

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

**(a) Expected credit loss allowance:**

Particulars	As at	
	March 31, 2025	March 31, 2024
Balance at the beginning of the year	56.00	113.06
Add : Provision created / (reversed) on account of expected credit losses	(0.00)	5.39
Less : Reversal or Write off of Trade Receivables	(28.12)	62.37
Movement in Expected credit loss allowance on trade receivables	(28.12)	(57.06)
<b>Balance at the end of the year</b>	<b>27.88</b>	<b>56.00</b>

**RENOLD****Notes to the financial statements for the year ended 31 March 2025  
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)**

**Renold Chain India Private Limited**  
**Notes to the financial statements for the year ended March 31, 2025**  
**All amounts are in Rs. Lakhs 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	
	March 31, 2025	March 31, 2024
Balance with Banks:		
- In current accounts	645.85	880.05
Fixed Deposits with original maturity of less than 3 months	-	706.06
<b>Total</b>	<b>645.85</b>	<b>1,586.11</b>

**9 Bank balances other than (ii) above**

Particulars	As at	
	March 31, 2025	March 31, 2024
<b>Balance with Banks:</b>		
- Fixed Deposits (Remaining maturity less than 12 months from reporting date)	800.00	-
<b>Total</b>	<b>800.00</b>	<b>-</b>

**10 Income Tax Asset/Liabilities (Net)**

Particulars	As at	
	March 31, 2025	March 31, 2024
<b>Income Tax Assets</b>		
<b>Non Current</b>		
Advance tax and taxes deducted at source	294.75	603.02
Less: Income tax payable	(87.72)	(512.59)
<b>Income Tax Assets (Net)</b>	<b>207.03</b>	<b>90.43</b>

**RENOLD****Notes to the financial statements for the year ended 31 March 2025**  
**(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)**

Renold Chain India Private Limited  
Notes to the financial statements for the year ended March 31, 2025  
All amounts are in Rs. Lakhs unless otherwise stated

**11 Deferred Tax Liabilities (Net)**

Particulars	As at	
	March 31, 2025	March 31, 2024
The following is the analysis of the net deferred tax asset / (liability) position as presented in the financial statements		
Deferred Tax Assets	35.98	64.91
Deferred Tax Liabilities	(292.90)	(167.83)
<b>Deferred Tax Liabilities (Net)</b>	<b>(256.92)</b>	<b>(102.92)</b>

**Movement in deferred tax balances**

Particulars	For the year 2024-25			
	Opening balance	Recognised in Statement of profit or loss	Recognised in Other Comprehensive Income	Closing Balance
Property, Plant and Equipment & Intangible Assets	(167.83)	(125.07)	-	(292.90)
Provision for employee benefits	16.46	5.23	(1.00)	20.69
Provision for expected credit losses	14.12	(7.10)	-	7.02
Other disallowances	34.33	(26.06)	-	8.27
<b>Total</b>	<b>(102.92)</b>	<b>(153.00)</b>	<b>(1.00)</b>	<b>(256.92)</b>

Particulars	For the year 2023-24			
	Opening balance	Recognised in Statement of profit or loss	Recognised in Other Comprehensive Income	Closing Balance
Property, Plant and Equipment & Intangible Assets	(105.79)	(62.04)	-	(167.83)
Provision for employee benefits	26.86	(9.53)	(0.87)	16.46
Provision for expected credit losses	28.45	(14.33)	-	14.12
Others	0.00	34.33	-	34.33
<b>Total</b>	<b>(50.48)</b>	<b>(51.57)</b>	<b>(0.87)</b>	<b>(102.92)</b>

**RENOLD****Notes to the financial statements for the year ended 31 March 2025  
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)****12 Borrowings  
(At Amortised Cost)**

Carrying Amount	As at	
	March 31, 2025	March 31, 2024
Long Term Borrowings	1,397.90	-

**12.1 (i) Terms of repayment and securities provided to Borrowings**

The Company has availed an External Commercial Borrowing from its Ultimate Holding Company - Renold PLC , UK by an agreement dated July 11, 2024

The Loan is granted for a minimum period of 5 years, effective from August 28, 2024.

Interest at the rate of 2.1 % + 3 months SONIA (Sterling Overnight Index Average) shall accrue daily on the outstanding principal amount of each loan from its drawdown date until the date it is repaid in full.

The Company has utilised the borrowings from its ultimate holding Company for the specific purpose for which it was taken,

**12A Lease Liabilities**

Carrying amounts	As at	
	March 31, 2025	March 31, 2024
<b>Lease Liabilities</b>		
Current	11.22	0.00
Non Current	18.41	0.00
<b>Total</b>	<b>29.63</b>	<b>0.00</b>

Particulars	Lease Liabilities	Total
Lease Liability as at the beginning of the year	-	-
Additions on account of new leases	39.30	39.30
Interest on Lease Liabilities	2.98	2.98
Payment towards lease liabilities	(12.66)	(12.66)
Lease Liability as at the end of the year	29.62	29.62

**Amount recognised in the Standalone Statement of Profit and Loss**

Particulars	For the year ended March 31, 2025
Amortisation of Right-of-use Asset	11.50
Interest expense	2.98
Expense relating to short-term leases	0.00

**Contractual maturities of Lease Liabilities:**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis

Particulars	As at March 31, 2025
Less than one year	13.59
One year to three years	28.03

**13 Equity Share Capital**

Particulars	As at	
	March 31, 2025	March 31, 2024
<b>Authorized Share capital :</b>		
30,000 fully paid equity shares of Rs.10 each	4,100.00	4,100.00
<b>Issued and subscribed capital comprises :</b>		
30,000 fully paid equity shares of Rs.10 each	3,075.00	3,075.00
<b>Total</b>	<b>3,075.00</b>	<b>3,075.00</b>

**13.1 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. Dividend, if any, declared is payable in Indian Rupees. During the year ended March 31, 2025, the amount of per share dividend recognised as distributions to equity shareholders was Nil (March 31, 2024: Nil).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**13.2 Reconciliation of shares outstanding at the beginning and at the end of the reporting period**

Particulars	Number of shares	Amount
Balance as at March 31, 2024	30,750,000	3,075.00
Changes in Equity Share capital during the year	-	-
<b>Balance as at March 31, 2025</b>	<b>30,750,000</b>	<b>3,075.00</b>

**13.3 Details of shares held by Holding and Ultimate Holding Company**

Particulars	As at	As at
	March 31, 2025	March 31, 2024
	Amount	Amount
<b>Renold International Holding Limited, UK , Holding Company</b> equity shares of Rs.10/- each fully paid.	3,075.00	3,075.00
<b>Renold PLC, UK , Ultimate Holding Company</b> 10/- each fully paid.	0.00	0.00

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

Name of the shareholder	As at			
	March 31, 2025		March 31, 2024	
	Number of shares	% of holding	Number of shares	% of holding
Renold International Holding Limited	30,749,997	100%	30,749,997	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.

**13.5 Shares held by promoters at the end of the year**

Shares held by promoters at the end of the year	As at				% of Change
	March 31, 2025		March 31, 2024		
	No. of Shares	% of total shares	No. of Shares	% of total shares	
<b>Promoter Name</b>					
Renold International Holding Limited, UK	30,749,997	30,749,997	30,749,997	30,749,997	-
Renold PLC, UK	3	3	3	3	-
	<b>30,750,000</b>	<b>100%</b>	<b>30,750,000</b>	<b>100%</b>	-

**13.6** No shares have been bought back by the Company during the period of five years immediately preceding the current year end.

No class of shares have been issued as bonus shares or rights issue or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

**RENOLD****Notes to the financial statements for the year ended 31 March 2025  
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)****14 Other Equity**

Particulars	As at	
	March 31, 2025	March 31, 2024
<b>Reserves and surplus</b>		
Capital Redemption Reserve	1,025.00	1,025.00
Surplus in statement of profit and loss account	3,431.74	2,447.60
	<b>4,456.74</b>	<b>3,472.60</b>

**14.1 Surplus in Statement of Profit and Loss**

Particulars	Retained Earnings	Remeasurement of Defined Benefit Liabilities
<b>Balance as at March 31, 2023</b>	<b>1,946.51</b>	-
Add: Profit for the year	498.49	-
Add/(Less): Other Comprehensive Income for the year, net of income tax	-	2.60
Add/(Less) : Reclassification from Other comprehensive income (Refer Note below)	2.60	(2.60)
<b>Balance as at March 31, 2024</b>	<b>2,447.60</b>	-
Add: Profit for the year	981.16	-
Add/(Less): Other Comprehensive Income for the year, net of income tax	-	2.98
Add/(Less) : Reclassification from Other comprehensive income (Refer Note below)	2.98	(2.98)
<b>Balance as at March 31, 2025</b>	<b>3,431.74</b>	-

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
<b>Balance as at March 31, 2024</b>	<b>1,025.00</b>
<b>Balance as at March 31, 2025</b>	<b>1,025.00</b>

**15 Trade Payables**

Particulars	As at	
	March 31, 2025	March 31, 2024
Trade Payables:		
(i) Dues to Micro and Small Enterprises (Refer Note 30)	389.27	164.31
(ii) Dues to creditors other than Micro and Small Enterprises*	2,180.27	1,954.35
<b>Total</b>	<b>2,569.54</b>	<b>2,118.66</b>

\*Trade payables are non-interest bearing and are normally settled as per due dates generally ranging from 30 to 60 days. Trade Payables to Related Parties are disclosed in Note 33a.

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.

**RENOLD**

Notes to the financial statements for the year ended 31 March 2025  
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

**16 Other financial liabilities  
(At amortised cost)**

Particulars	As at	
	March 31, 2025	March 31, 2024
<b>Current</b>		
Security Deposits	0.00	1.99
Interest Accrued on Inter Company Borrowings	26.89	-
Payable on purchase of Property, plant & equipment	19.32	37.58
<b>Total</b>	<b>46.21</b>	<b>39.57</b>

**17 Provisions**

Particulars	As at	
	March 31, 2025	March 31, 2024
<b>Towards employee benefits</b>		
Compensated absences	11.07	2.40
<b>Others</b>		
Provision for warranty (Refer Note below)	32.87	97.43
<b>Total</b>	<b>43.94</b>	<b>99.83</b>

**Note: Provision for Warranty**

Particulars	As at	
	March 31, 2025	March 31, 2024
Balance as at beginning of the year	97.43	4.62
Additions during the year	0.00	108.81
Amounts reversed during the year	(64.56)	(16.00)
<b>Balance as at end of the year</b>	<b>32.87</b>	<b>97.43</b>

**18 Other Current liabilities**

Particulars	As at	
	March 31, 2025	March 31, 2024
Statutory remittances	31.22	26.56
Advance received from customers	50.08	133.53
Gratuity Payable (Refer Note 31)	-	4.58
<b>Total</b>	<b>81.30</b>	<b>164.67</b>

**RENOLD****Notes to the financial statements for the year ended 31 March 2025  
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)****19 Revenue from operations**

Particulars	For the Year Ended	
	March 31, 2025	March 31, 2024
<b>A. Sale of Products (Refer Note 19.1 below)</b>	11,243.72	10,093.67
Less: Sales Incentives	(138.28)	(742.04)
<b>A. Sale of Products (Refer Note 19.1 below)</b>	<b>11,105.44</b>	<b>9,351.63</b>
<b>B. Other operating revenues</b>		
Scrap Sales	579.22	509.89
Export Benefits	46.95	47.39
	<b>626.17</b>	<b>557.28</b>
<b>Total</b>	<b>11,731.61</b>	<b>9,908.91</b>

**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	
	March 31, 2025	March 31, 2024
<b>Revenue by Geography</b>		
India	8,656.41	7,461.92
Outside India	2,587.31	2,631.75
<b>Total - Sale of Products</b>	<b>11,243.72</b>	<b>10,093.67</b>
<b>Revenue by offerings</b>		
<b>Manufactured goods</b>		
Industrial Chains & Sprockets	11,243.72	10,093.67
<b>Total - Sale of Products</b>	<b>11,243.72</b>	<b>10,093.67</b>
<b>Timing of recognition</b>		
Goods transferred at a point in time	11,243.72	10,093.67
<b>Total - Sale of Products</b>	<b>11,243.72</b>	<b>10,093.67</b>

**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 Receivables 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.

Refer Note 8 and Note 18 for Contract Assets (Trade Receivables) and Contract Liabilities

**19.3 Performance obligations and remaining performance obligations**

There are no unsatisfied long-term contracts / performance obligation that have impact on financial statements. 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.

**19.4 Reconciliation of contracted price with revenue during the year**

Particulars	For the Year Ended	
	March 31, 2025	March 31, 2024
Revenue as per contracted price	11,243.72	10,093.67
Adjustments for discounts and incentives	(138.28)	(742.04)
<b>Revenue from Contracts with Customers</b>	<b>11,105.44</b>	<b>9,351.63</b>

**20 Other income**

Particulars	For the Year Ended	
	March 31, 2025	March 31, 2024
a) Interest income earned on financial assets measured at Amortised Cost		
Interest from Bank deposits	61.74	49.40
b) Other non-operating income		
Gain on foreign currency transactions / translation	9.88	-
Provisions no longer required written back	33.11	46.72
Profit on sale of Property, Plant and Equipment	30.90	7.17
Insurance claim received	32.32	-
<b>Total (a+b)</b>	<b>167.95</b>	<b>103.29</b>

**RENOLD**

Notes to the financial statements for the year ended 31 March 2025  
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

**21 Cost of raw materials consumed & Changes in Inventories**

Particulars	For the Year Ended	
	March 31, 2025	March 31, 2024
<b>(a) Raw materials consumed</b>		
Inventory at the beginning of the year (Refer Note 7)	895.88	866.89
Add: Purchases	5,675.19	5,170.90
Less : Inventory at the end of the year (Refer Note 7)	(881.63)	(895.88)
<b>Cost of Raw materials consumed</b>	<b>5,689.44</b>	<b>5,141.91</b>
<b>(b) Changes in inventories of finished goods and work-in-progress</b>		
<b><u>Inventories at the end of the year</u></b>		
Finished Goods	899.91	1,513.92
Work-in-progress	1,003.54	196.54
	<b>1,903.45</b>	<b>1,710.46</b>
<b><u>Inventories at the beginning of the year</u></b>		
Finished Goods	1,513.92	849.76
Work-in-progress	196.54	433.75
	<b>1,710.46</b>	<b>1,283.51</b>
<b>Net Increase in Inventories</b>	<b>(192.99)</b>	<b>(426.95)</b>

**22 Employee Benefits Expense**

Particulars	For the Year Ended	
	March 31, 2025	March 31, 2024
Salaries and Wages	1,239.43	1,167.38
Contribution to provident and other funds (Refer Note 31)	58.53	60.09
Gratuity expense (Refer Note 31)	12.79	13.93
Staff welfare expenses	106.12	132.62
<b>Total</b>	<b>1,416.87</b>	<b>1,374.02</b>

**23 Finance Costs**

Particulars	For the Year Ended	
	March 31, 2025	March 31, 2024
Interest on Inter Company Borrowings	63.64	-
Interest on Lease Liabilities	2.97	-
<b>Total</b>	<b>66.61</b>	<b>-</b>

**RENOLD****Notes to the financial statements for the year ended 31 March 2025  
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)****24 Depreciation and Amortization Expense**

Particulars	For the Year Ended	
	March 31, 2025	March 31, 2024
Depreciation of property, plant and equipment (Refer Note 3)	282.61	245.96
Amortization of right of use assets (Refer Note 3)	11.50	0.00
Amortization of intangible assets (Refer Note 4)	337.76	13.58
<b>Total</b>	<b>631.87</b>	<b>259.54</b>

**25 Other Expenses**

Particulars	For the Year Ended	
	March 31, 2025	March 31, 2024
Processing charges	270.71	265.26
Power and Fuel	347.49	336.21
Consumption of Stores and Spares	403.10	338.62
Consumption of Packing Material	171.22	182.34
Management and Service Fees (Refer Note 33a)	237.82	159.91
Freight and forwarding charges	477.06	270.39
Discount allowed	61.13	112.37
Commission	0.00	38.91
Rental Expenses	0.00	11.67
Rates and taxes	62.99	53.37
Travelling and Conveyance	98.32	74.64
Bank Charges	5.56	10.85
Legal and professional charges (Refer Note 25.1 below)	102.43	215.38
Repairs and Maintenance		
- Buildings	0.24	21.23
- Machinery	265.78	258.17
- Others	344.83	333.58
Insurance	67.67	62.16
Provision for Warranty	0.00	92.81
Communication expenses	10.68	13.03
Net loss on foreign currency transactions and translation	0.00	1.50
Provision for Expected Credit Losses (net of reversal)	0.00	5.39
Corporate Social Responsibility (CSR) expenses (Refer Note 25.2 below)	20.75	22.87
Miscellaneous expenses	95.82	86.95
<b>Total</b>	<b>3,043.60</b>	<b>2,967.61</b>

**25.1 Legal and professional charges includes the following:**

Payments to auditors	For the Year Ended	
	March 31, 2025	March 31, 2024
Statutory Audit	17.00	15.55
Tax Audit	3.45	3.45
<b>Total</b>	<b>20.45</b>	<b>19.00</b>

**25.2 Corporate Social Responsibility**

As per Section 135 of the Companies Act 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.

Particulars	March 31, 2025	March 31, 2024
Average Profit before tax as per Section 135 of the Act	1,023.22	1,120.19
a. Amount required to be spent during the year	20.46	22.40
b. CSR Expenditure incurred	20.75	22.87
c. Shortfall at the end of the year	NA	NA
d. Total of previous years shortfall	NA	NA
e. Reason for shortfall	NA	NA
f. Nature of CSR Activities	i. Promoting healthcare and sanitation in Government school	i. Promoting healthcare and sanitation in Government school

**RENOLD**

Notes to the financial statements for the year ended 31 March 2025  
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

**26 Income Taxes****26 Income Tax Expense recognised in Statement of Profit and Loss**

Particulars	For the Year Ended	
	March 31, 2025	March 31, 2024
<b>Current tax</b>		
In respect of current year	110.00	152.39
In respect of prior years	0.00	(6.38)
	<b>110.00</b>	<b>146.01</b>
<b>Deferred tax</b>		
In respect of current year	153.00	51.57
<b>Total income tax expense recognized in the current year</b>	<b>263.00</b>	<b>197.58</b>

**26 Income Tax Expense recognised in Other Comprehensive Income**

Particulars	For the Year Ended	
	March 31, 2025	March 31, 2024
<b>Deferred tax:</b>		
Remeasurement of defined benefit obligation	(1.00)	(0.87)
<b>Total income tax recognised in other comprehensive income</b>	<b>(1.00)</b>	<b>(0.87)</b>

Bifurcation of the income tax recognised in other comprehensive income into  
Items that will not be reclassified to profit or loss (1.00) (0.87)

**26 Income Tax Reconciliation**

A reconciliation of income tax expense applicable to accounting profit 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	
	March 31, 2025	March 31, 2024
Profit before tax	1,244.16	696.07
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	313.00	175.00
Amounts disallowed in the computation of total income	5.22	(5.76)
Others	(55.22)	28.34
<b>Total income tax expense recognised in the statement of profit and loss</b>	<b>263.00</b>	<b>197.58</b>

**RENOLD****Notes to the financial statements for the year ended 31 March 2025  
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)****27 Earnings per share**

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
Basic earnings per share	3.19	1.62
Diluted earnings per share	3.19	1.62
The calculation of the Basic and Diluted Earnings per share is based on the following data:		
Profit for the year after tax	981.16	498.49
Weighted average number of equity shares outstanding during the year (In Nos)		
Basic	30,750,000	30,750,000
Diluted	30,750,000	30,750,000

**28 Segment information**

The Company's Chief Operating Decision maker (CODM) reviews business operations as a single segment i.e. manufacture and sale of industrial chains and sprockets, accordingly there are no other reportable business segments in accordance with the Ind AS 108, "Operating segments"

**Geographical Information**

Particulars	Revenue for the year ended		Carrying amount of Non-Current Assets	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
India	8,656.41	7,461.92	5,447.57	3,599.03
Europe	282.48	343.45	-	-
United States of America	1,327.78	1,484.91	-	-
Rest of the world	977.05	803.39	-	-
<b>Total</b>	<b>11,243.72</b>	<b>10,093.67</b>	<b>5,447.57</b>	<b>3,599.03</b>

**29 Contingent Liabilities and Commitments**

Particulars	As at	
	March 31, 2025	March 31, 2024
<b>A. Contingent Liabilities</b>		
Income Tax Demand*	190.10	190.10

Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount Unpaid (Rs. Lakhs)
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	Assistant Commissioner of Income Tax, Chennai (Assessing Officer)	Financial Year 2017-18	0.76
Income Tax Act, 1961 (see note below)	Income Tax	Deputy Commissioner of International Taxation , Coimbatore	Financial year 2013-14 to 2016-17	187.26

\* 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 1,385.05 Lakhs paid to Renold UK, during the financial years from 2013-14 to 2016-17. The amount includes Rs 37.45 lakhs paid under protest as appeal deposit. 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	
	March 31, 2025	March 31, 2024
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	564.51	205.97

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

Particulars	As at	
	March 31, 2025	March 31, 2024
(i) Principal amount remained unpaid to any supplier as at the accounting year	389.27	164.31
(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.

**31 Employee Benefit Plans****a) Defined Contribution Plan**

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	
	March 31, 2025	March 31, 2024
Provident Fund	55.27	57.09
Employee State Insurance	3.26	3.00

**b) Defined Benefit Plan**

The Company has a defined gratuity plan. Every employee who has completed five years or more of service receives 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. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

The Company is exposed to various risks in providing gratuity which are as follows:

**Interest Rate risk :** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

**Investment Risk :** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

**Salary Escalation Risk :** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Demographic Risk :** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

**Longevity Risk :** The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of plan participants during their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**ASSUMPTIONS**

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

Particulars	As at	
	March 31, 2025	March 31, 2024
Expected Return on Plan Asset	6.72%	7.20%
Discount rate	6.72%	7.20%
Rate of salary increase	6.50%	6.50%
Average Age	58	58
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 (2012-14) Urban

**RENOLD****Notes to the financial statements for the year ended 31 March 2025****(All amounts are in Rs. Lakh unless otherwise stated)**

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

Particulars	Gratuity As at	
	March 31, 2025	March 31, 2024
<b>Present Value of Obligations as at the beginning of the year</b>	<b>216.48</b>	<b>202.29</b>
Current Service cost	12.45	11.82
Interest cost	15.59	15.09
Actuarial losses / (gains)		
Due to change in financial assumptions	4.90	2.66
Due to experience adjustments	(10.53)	(7.15)
Benefits paid	(25.74)	(8.23)
<b>Present Value of Obligations as at the end of the year</b>	<b>213.15</b>	<b>216.48</b>
<b>Fair value of plan assets as at the beginning of the year</b>	<b>211.90</b>	<b>174.06</b>
Interest Income	15.25	12.98
Contributions by the employer	14.77	34.11
Benefits paid	(25.74)	(8.24)
Expected Return on plan assets	(1.65)	(1.01)
<b>Fair value of plan assets at the end of the year</b>	<b>214.53</b>	<b>211.90</b>
<b>Amount recognized in the Balance Sheet</b>		
Present Value of Obligations as at the end of the year	(213.15)	(216.48)
Fair value of the plan assets as at the end of the year	214.53	211.90
<b>Asset/(Liability) recognized in the Balance Sheet</b>	<b>1.38</b>	<b>(4.58)</b>
Interest Cost	15.59	15.09
(Interest income)	(15.25)	(12.98)
<b>Net interest cost for the current period</b>	<b>0.34</b>	<b>2.11</b>
<b>Expenses recognized in statement of profit or loss</b>		
Current service cost	12.45	11.82
Net interest cost for the current period	0.34	2.11
<b>Net Expense recognized in profit or loss</b>	<b>12.79</b>	<b>13.93</b>
<b>Expenses recognized in other comprehensive income</b>		
Actuarial losses / (gains) on obligation for the period	(5.63)	(4.48)
Return on plan asset excluding interest income	1.65	1.01
<b>Net income recognized in OCI</b>	<b>(3.98)</b>	<b>(3.47)</b>
<b>Sensitivity analysis:</b>		
<b>Particulars</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Project benefit obligations on current assumptions	213.15	216.48
Delta effect of + 1% change in rate of discounting	(9.92)	(9.87)
Delta effect of - 1% change in rate of discounting	11.08	10.95
Delta effect of + 1% change in rate of salary increase	10.52	10.62
Delta effect of -1% change in rate of salary increase	(9.73)	(9.73)
Delta effect of + 1% change in rate of employee turnover	(0.07)	0.23
Delta effect of -1% change in rate of employee turnover	0.05	(0.27)
<b>Expected Benefit Payments (mid-year cash flows):</b>		
<b>Particulars</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Year 1	21.14	26.71
Year 2	33.19	18.43
Year 3	30.80	33.92
Year 4	25.09	32.33
Year 5	33.22	26.68
Next 5 Years	88.72	102.37

The Company's best estimate of the contribution expected to be paid to the plan during the next year is Rs.11.70 Lakhs ( March 31, 2024 : Rs 17.05 Lakhs).

**32 Financial instruments****(i) Capital management**

The Company's objectives when managing capital are to maximise shareholders value through an efficient allocation of capital towards expansion of business optimisation of working capital requirements and deployment of balance surplus funds on the back of an effective portfolio management of funds within a well defined risk management framework. The management of the Company reviews the capital structure of the Company on regular basis to optimise cost of capital.

The Company's objective when managing capital is 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 average cost of capital. The Company monitors capital using a gearing ratio, which is net debt divided by total capital.

Net debt = Total borrowings less cash and cash equivalents + bank balances other than cash and cash equivalents (other than in earmarked accounts) + Fixed Deposits. Total Equity includes all capital and reserves of the company.

Particulars	As at March 31, 2025	As at March 31, 2024
	1,454.41	-
Less : Cash and Cash Equivalents + Bank balances other than Cash and Cash Equivalents (other than in earmarked accounts) + Fixed Deposits	1,445.85	-
	8.56	-
	7,531.74	-
<b>Net Debt to Equity Ratio (A/B)</b>	<b>0%</b>	-

**(ii) Categories of Financial instruments**

Particulars	As at	
	March 31, 2025	March 31, 2024
<b>A. Financial Assets</b>		
<b>Measured at amortized cost</b>		
(a) Trade Receivables	1,539.17	1,014.98
(b) Cash and Bank Balances	1,445.85	1,586.11
(c) Other Financial Assets	93.67	72.62
	<b>3,078.69</b>	<b>2,673.71</b>
<b>B. Financial Liabilities</b>		
<b>Measured at amortized cost</b>		
(a) Borrowings	1,397.90	0.00
(b) Trade Payables	2,569.54	2,118.66
(c) Lease Liabilities	29.63	0.00
(d) Other Financial Liabilities	46.21	39.57
	<b>4,043.28</b>	<b>2,158.23</b>

**(iii) Financial Risk Management**

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

The Company's board of directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management framework. The Company's risk management policies are established to set appropriate risk limits and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market condition and the Company's activities. The Company through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

# **RENOLD**

## **Notes to the financial statements for the year ended 31 March 2025**

**(All amounts are in Rs. Lakh unless otherwise stated)**

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**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**

Trade Receivables: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of the customers to which the Company grants credit terms in the normal course of business.

**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 two types of risks: interest rate risk and foreign currency risk. Financial instruments affected by market risks include foreign exchange outstanding, borrowings and deposits.

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### b(i) Foreign Currency Risk Management

The Company undertakes transactions denominated in foreign currencies and consequently, exposure to exchange rate fluctuations arises. The Company has not entered into any derivative contracts during the year ended March 31, 2025 and there are no outstanding foreign currency contracts as at March 31, 2025.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:

Particulars	Currency	As at March 31, 2025		As at March 31, 2024	
		Amount in Foreign Currency	Amount	Amount in Foreign Currency	Amount
Borrowings and Interest Payable	USD	0.26	21.92	0.00	0.00
	EUR	0.76	70.73	0.10	8.70
	GBP	2.54	280.34	5.90	621.60
	CNY	4.92	57.95	0.00	0.00
	GBP	12.91	1,424.79	0.00	0.00
	USD	3.77	322.19	1.28	106.63
	CNY	0.00	0.00	0.09	1.07
	EUR	0.05	4.30	0.23	20.95
	GBP	0.00	0.00	0.00	0.00

(-) 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	March 31, 2025	March 31, 2025	March 31, 2024	March 31, 2024
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
USD	15.01	(15.01)	5.33	(5.33)
EURO	(3.32)	3.32	0.61	(0.61)
GBP	(85.26)	85.26	(31.08)	31.08

#### Impact on total equity as at end of the reporting period

Particulars	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2024
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
USD	11.23	(11.23)	3.99	(3.99)
EURO	(2.49)	2.49	0.46	(0.46)
GBP	(63.80)	63.80	(23.26)	23.26

### b(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk with variable rate external commercial borrowings from Renold PLC, UK.

#### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Increase / Decrease in basis points	Effect on profit before tax
<b>2025</b>	
+50 basis points	6.99
-(50) basis points	(6.99)
<b>2024</b>	
+50 basis points	-
-(50) basis points	-

### c) Liquidity Risks

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has availed fund based working capital facilities from banks. The Company invests its surplus funds in bank fixed deposits which carry no/low mark to market risks. The Company monitors funding options available in the debt and capital markets with a view to maintain financial flexibility.

The table below provides the details regarding the expected recovery of significant financial assets as follows:

Particulars	Less than 3 months	3 to 12 months	More than 1 year	Total
<b>March 31, 2025</b>				
Trade Receivables	1,539.17	0.00	0.00	1,539.17
Cash and Cash equivalents	1,445.85	0.00	0.00	1,445.85
Other financial assets	16.13	0.00	77.54	93.67
	<b>3,001.15</b>	<b>0.00</b>	<b>77.54</b>	<b>3,078.69</b>
<b>March 31, 2024</b>				
Trade Receivables	1,014.98	0.00	0.00	1,014.98
Cash and Cash Equivalents	1,586.11	0.00	0.00	1,586.11
Other Financial Assets	3.44	0.00	69.18	72.62
	<b>2,604.53</b>	<b>0.00</b>	<b>69.18</b>	<b>2,673.71</b>

The table below provides the details regarding the contractual maturities of significant financial liabilities as follows:

Particulars	Less than 3 months	3 to 12 months	More than 1 Year	Total
<b>March 31, 2025</b>				
Borrowings	0.00	0.00	1,397.90	1,397.90
Lease Liabilities	3.40	10.19	28.03	41.61
Trade Payables	2,569.54	0.00	0.00	2,569.54
Other Financial Liabilities	0.00	46.21	0.00	46.21
<b>Total</b>	<b>2,572.94</b>	<b>56.40</b>	<b>1,425.93</b>	<b>4,055.26</b>
<b>March 31, 2024</b>				
Trade Payables	2,118.66	0.00	0.00	2,118.66
Other Financial Liabilities	0.00	39.57	0.00	39.57
<b>Total</b>	<b>2,118.66</b>	<b>39.57</b>	<b>0.00</b>	<b>2,158.23</b>

### 32a Fair Value Hierarchy

#### Financial assets and liabilities measured at amortised cost

The Company has not disclosed fair values of financial assets and liabilities because their carrying amounts are reasonable approximations of their fair values. The Company has not offset Financial Assets and Liabilities as at March 31, 2025 and March 31, 2024.

# **RENOLD**

## **Notes to the financial statements for the year ended 31 March 2025**

**(All amounts are in Rs. Lakh unless otherwise stated)**

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### **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 Power Transmission Limited , UK (Formerly known as Renold Chain, UK)

Renold Jeffrey, USA

Renold France SAS

Renold GmbH, Uslar

Renold GmbH, Einbeck

Renold GmbH, Gronau

Renold (Malaysia) Sdn.Bhd, Malaysia

Renold Gears, Milnrow

Renold Inc , Westfield

Renold Canada Limited, Canada

Renold (China) Transmission Products

Renold Australia Pty Ltd

Industrias YUK, S.A.

Renold Chain - Bredbury

Renold Couplings - Manufacturing

Renold Zincir Sanayi ve Ticaret A.Ş., Turkey

Renold GmbH, Tooth chain

#### **Key Managerial Personnel**

S.Ramachandran, Managing Director

T.Vinoth Kumar, Company Secretary

**RENOLD**

Notes to the financial statements for the year ended 31 March 2025

(All amounts are in Rs. Lakh unless otherwise stated)

**33A Related Party Transactions :**

Particulars	Ultimate Holding Company		Fellow Subsidiaries		Key Managerial Personnel	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
<b>Revenue from Operations</b>						
Renold Power Transmission Limited , UK			47.03	28.54		
Renold Australia Pty Ltd			21.91	-		
Renold Jeffrey, USA			1,327.78	1,511.97		
Renold GmbH, Einbeck			11.70	17.20		
Renold GmbH, Uslar			205.25	289.02		
Renold (Malaysia) Sdn.Bhd, Malaysia			23.53	88.82		
Renold (China) Transmission Products			84.00	124.92		
Industrias YUK, S.A.			18.50	-		
Renold Canada Limited			-	1.84		
<b>Reimbursement of Expenses</b>						
Renold Inc , Westfield			-	20.24		
Renold Power Transmission Limited , UK			-	26.35		
<b>Debit Notes</b>						
Renold Australia Pty Ltd			11.71	-		
Renold GmbH, Uslar			10.95	-		
Renold Jeffrey, USA			0.54	63.19		
Renold (China) Transmission Products			0.60	38.25		
Renold France SAS			-	11.54		
<b>Credit Notes</b>						
Renold Plc, UK	-	59.72	-	-		
Renold (Malaysia) Sdn.Bhd, Malaysia			0.18	-		
Renold Jeffrey, USA			98.44	-		

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## Notes to the financial statements for the year ended 31 March 2025

(All amounts are in Rs. Lakh unless otherwise stated)

**33A Related Party Transactions :**

Particulars	Ultimate Holding Company		Fellow Subsidiaries		Key Managerial Personnel	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
<b>Purchase of finished goods and components</b>						
Renold Chain - Bredbury			15.39	0.03		
Renold Couplings - Manufacturing			2.09	-		
Renold Jeffrey, USA			95.48	-		
Renold Gmbh, Einbeck			33.05	9.13		
Renold (China) Transmission Products			151.09	0.08		
Renold GmbH, Tooth chain			23.59	-		
Renold Gears, Milnrow			281.00	166.26		
<b>Management Service Charges</b>						
Renold Plc, UK	237.82	159.90				
<b>Interest on Inter Company Borrowings</b>						
Renold Plc, UK	63.64	-				
<b>Recharge of Expenses</b>						
Renold Plc, UK	284.19	614.80				
Renold Inc, Westfield	-	-	20.28	-		
Renold Zincir Sanayi ve Ticaret A.Ş., Turkey	-	-	1.36	-		
Renold Gears, Milnrow	-	-	0.77	-		
Renold Power Transmission Limited , UK	-	-	21.96	-		
<b>Purchase of PPE</b>						
Renold Plc, UK	1,406.57	39.39				
<b>Remuneration</b>						
<b>S.Ramachandran, Managing Director</b>						
Short term Employee Benefits					138.24	148.95
<b>T.Vinoth Kumar, Company Secretary</b>						
Short term Employee Benefits					21.97	20.70
<b>Balances outstanding at the year end</b>						
<b>Payables:</b>						
Renold Plc, UK	245.79	503.67				
Renold Chain - Bredbury			14.62	-		
Renold Couplings - Manufacturing			2.09	-		
Renold (China) Transmission Products			57.95	-		
Renold GmbH, Einbeck			-	8.70		
Renold Gears, Milnrow			17.83	117.93		
Renold GmbH, Uslar			69.93	-		
Renold GmbH, Tooth chain			0.80	-		
<b>Inter Company Loan</b>						
Renold Plc, UK	1,397.90	-				
<b>Interest Payable on Inter Company Loan</b>						
Renold Plc, UK	26.89	-				
<b>Receivables:</b>						
Renold Gmbh, Einbeck			-	1.17		
Renold GmbH, Uslar			-	19.78		
Renold Jeffrey, USA			103.30	104.98		
Renold (China) Transmission Products			71.17	1.07		
Renold Canada Limited, Canada			-	1.66		
Industrias YUK, S.A.			4.30	-		

# RENOLD

## Notes to the financial statements for the year ended 31 March 2025

(All amounts are in Rs. Lakh unless otherwise stated)

### 34 Additional Regulatory Information:

- a. The Company has no borrowings from banks or financial institutions on the basis of security of current assets. Hence, the Company is not required to furnish quarterly statements of current assets to banks or financial institutions.
- b. The Company is not declared as a wilful defaulter by any bank or financial institution.
- c. The Company has no transactions or outstanding balances with struck off companies under Section 248 of the Companies Act, 2013.
- d. 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.
- e. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) 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
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- f. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) 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)
  - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- g. The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).
- h. The Company has not traded / invested in crypto currency / virtual currency during the financial year.
- k. There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
- l. There is no scheme of compromise or arrangement approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- m. In the opinion of the Board, all assets other than Property, Plant and Equipment and Intangible assets are expected to be realised at the value stated in the balance sheet in the ordinary course of business.

### 35 Ratios:

Particulars	Numerator	Denominator	March 31, 2025	March 31, 2024	Variance	Reasons for variance in excess of 25%
Current Ratio	Current Assets	Current Liabilities	2.29	2.22	3.05%	Less than 25%
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.19	0.00	100.00%	Due to availment of External Commercial borrowing from Renold PLC, UK during the year
Debt Service Coverage Ratio	Earnings available for Debt Service	Debt Service	1.13	0.00	100.00%	Due to availment of External Commercial borrowing from Renold PLC, UK during the year
Return On Equity	Profit after Tax	Average Shareholder's Equity	13.94%	7.92%	76.06%	Due to increase in profits on account of operational performance
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	1.90	1.89	0.58%	Less than 25%
Trade Receivables Turnover Ratio	Net Credit Sales	Average Trade Receivables	8.70	8.17	6.39%	Less than 25%
Trade Payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	2.34	2.59	-9.37%	Less than 25%
Net Capital Turnover Ratio	Revenue from Operations	Average Working Capital	3.13	3.16	-0.96%	Less than 25%
Net Profit Ratio	Profit after Tax	Net Sales	8.83%	5.33%	65.74%	Due to increase in profits on account of operational performance
Return On Capital Employed	Earnings Before Interest and Taxes	Capital Employed	14.63%	7.61%	92.22%	Due to availment of External Commercial borrowing from Renold PLC, UK during the year

# **RENOLD**

## **Notes to the financial statements for the year ended 31 March 2025**

**(All amounts are in Rs. Lakh unless otherwise stated)**

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### **36 New Wage Code**

The Code on Social Security 2020 has been notified in the Official Gazette on September 29, 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 approved by the Board of Directors in their meeting held on September 26 , 2025

#### **For M S K A & Associates**

Chartered Accountants  
Firm Registration No.:105047W  
**T V Ganesh**  
Partner  
Membership No. 203370  
Place: Chennai

Date: September 26, 2025

#### **For and on behalf of the Board of Directors**

**S. Ramachandran**  
Managing Director  
DIN: 03535894  
Place: Dindigul

**T. Vinoth Kumar**  
Company Secretary  
FCS No.F10471  
Place : Dindigul

Date: September 26, 2025

**James Robert Haughey**  
Director  
DIN: 09321105  
Place: United Kingdom

**V A David**  
General Manager - F & A  
Place : Dindigul