SHRIRAM PISTONS & RINGS LIMITED

(Incorporated as a public limited company under the Companies Act, 1956 and validly existing under the Companies Act, 2013 (as amended from time to time)

Date & Place of Incorporation: December 9, 1963; New Delhi; **Corporate Identification Number (CIN)**: L29112DL1963PLC004084;
Permanent Account Number: AAACS0229G; **Telephone**: +91 11 2331 5941; **Email ID**: sprl@shrirampistons.com; **Website**: www.shrirampistons.com;
Registered and Corporate Office: 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi, India, 110001;
Company Secretary & Compliance Officer: Mr. Pankaj Gupta; **Tel.**: +91 11 2331 5941; **E-mail:** pankaj.gupta@shrirampistons.com;
Chief Financial Officer: Mr. Prem Prakash Rathi; **Tel.**: +91 11 2331 5941; **E-mail**: prem.rathi@shrirampistons.com
Promoter and Promoter Group: Please refer to Section 4.2. hereto, **TELEPHONE**: +91-11 2331 5941; **EMAIL**: compliance.officer@shrirampistons.com

GENERAL INFORMATION DOCUMENT DATED FEBRUARY 11, 2026 IN RELATION TO LISTED PRIVATELY PLACED NON-CONVERTIBLE SECURITIES AND / OR COMMERCIAL PAPERS

THIS GENERAL INFORMATION DOCUMENT IS IN RELATION TO SUCH AMOUNT(S) WHICH THE BOARD OF DIRECTORS APPROVES FROM TIME TO TIME, TO BE RAISED BY WAY OF ISSUANCE OF SECURITIES INCLUDING DEBT SECURITIES (INCLUDING SECURED AND/ OR UNSECURED DEBENTURES), NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES, MARKET LINKED DEBENTURES, PERPETUAL NON-CUMULATIVE PREFERENCE SHARES, PERPETUAL DEBT INSTRUMENTS OR SUCH OTHER SECURITY AS DEFINED AS NON-CONVERTIBLE SECURITIES UNDER THE SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, AS AMENDED FROM TIME TO TIME (THE "**SEBI NCS REGULATIONS**") (HEREINAFTER CUMULATIVELY REFERRED TO AS THE ("**NON-CONVERTIBLE SECURITIES**") IN ONE OR MORE TRANCHES/ SERIES AND COMMERCIAL PAPERS (DEFINED HEREINAFTER) (FOR CASH, AT PAR, PREMIUM OR DISCOUNT, AS SPECIFIED IN THE RELEVANT KEY INFORMATION DOCUMENT), AS MAY BE APPROVED BY THE BOARD OF DIRECTORS DURING THE PERIOD OF 1 (ONE) YEAR FROM THE DATE OF OPENING OF THE FIRST OFFER OF NON-CONVERTIBLE SECURITIES OR COMMERCIAL PAPERS (AS APPLICABLE) MADE UNDER THIS GENERAL INFORMATION DOCUMENT ("**VALIDITY PERIOD**"), BY SHRIRAM PISTONS & RINGS LIMITED (THE "**COMPANY**" OR THE "**ISSUER**"), ON PRIVATE PLACEMENT BASIS AND SHALL BE READ WITH THE RELEVANT KEY INFORMATION DOCUMENT(S) ISSUED BY THE ISSUER DURING THE VALIDITY PERIOD. THIS GENERAL INFORMATION DOCUMENT PROVIDES DISCLOSURES IN ACCORDANCE WITH THE SEBI NCS REGULATIONS AND SEBI MASTER CIRCULAR NUMBER SEBI/HO/DDHS/DDHS-PoD/P/CIR/2025/0000000137 DATED OCTOBER 15, 2025 (AS AMENDED, UPDATED OR REPLACED FROM TIME TO TIME) ("**SEBI MASTER CIRCULAR**") READ WITH "OPERATIONAL GUIDELINES FOR PARTICIPATION ON BSEBOND PLATFORM (EBP PLATFORM OF BSE)" (UPDATED AS ON NOVEMBER 14, 2025) ISSUED BY BSE LIMITED ("**BSE**") AND ANY AMENDMENTS THERETO ("**BSE EBP OPERATIONAL CIRCULAR**") OR "REVISED OPERATING GUIDELINES FOR NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("**NSE**") ELECTRONIC BIDDING PLATFORM" DATED NOVEMBER 14, 2025 ALONG WITH THE ANNEXURE-I AND ANY AMENDMENTS THERETO ("**NSE EBP OPERATIONAL CIRCULAR**"), AS APPLICABLE (THE SEBI MASTER CIRCULAR AND THE BSE EBP OPERATIONAL CIRCULAR OR THE NSE EBP OPERATIONAL CIRCULAR, AS APPLICABLE, ARE HEREINAFTER COLLECTIVELY REFERRED TO AS THE "**OPERATIONAL GUIDELINES**"). THE DETAILS OF EACH ISSUE OF NON-CONVERTIBLE SECURITIES AND / OR COMMERCIAL PAPERS, PURSUANT TO THIS GENERAL INFORMATION DOCUMENT WILL BE SET OUT IN THE RELEVANT KEY INFORMATION DOCUMENT. THIS GENERAL INFORMATION DOCUMENT MAY BE SUPPLEMENTED, MODIFIED AND/OR AMENDED BY ONE OR MORE SUBSEQUENT KEY INFORMATION DOCUMENT(S). THE ELIGIBLE INVESTORS (AS DEFINED IN SECTION 1 (*DEFINITIONS AND ABBREVIATIONS*) MUST EVALUATE THE DISCLOSURES IN THE GENERAL INFORMATION DOCUMENT FOR TAKING THEIR INVESTMENT DECISION. THE ISSUANCE OF THE NON-CONVERTIBLE SECURITIES OR COMMERCIAL PAPERS (AS APPLICABLE) SHALL BE SUBJECT TO THE PROVISIONS OF THE COMPANIES ACT, THE RULES NOTIFIED THEREUNDER, SEBI NCS REGULATIONS, SEBI MASTER CIRCULAR, SEBI LODR REGULATIONS, THE MEMORANDUM OF ASSOCIATION AND THE ARTICLES OF ASSOCIATION OF THE ISSUER, THE GENERAL INFORMATION DOCUMENT READ WITH THE RELEVANT KEY INFORMATION DOCUMENT(S) FILED WITH THE STOCK EXCHANGE(S) AND OTHER DOCUMENTS IN RELATION TO THE ISSUANCE OF NON-CONVERTIBLE SECURITIES OR COMMERCIAL PAPERS.

COMPLIANCE CLAUSE FOR ELECTRONIC BOOK MECHANISM

THE NON-CONVERTIBLE SECURITIES AND/ OR COMMERCIAL PAPERS (AS APPLICABLE) WOULD BE ISSUED UNDER THE ELECTRONIC BOOK MECHANISM ON PRIVATE PLACEMENT BASIS AS PER OPERATIONAL GUIDELINES. THE ISSUER INTENDS TO USE THE BSE EBP PLATFORM OR NSE EBP PLATFORM. THIS GENERAL INFORMATION DOCUMENT IS BEING UPLOADED ON THE BSE EBP PLATFORM OR NSE EBP PLATFORM TO COMPLY WITH THE OPERATIONAL GUIDELINES AND AN OFFER WILL BE MADE BY ISSUE OF THE GENERAL INFORMATION DOCUMENT ALONG WITH THE SIGNED KEY INFORMATION DOCUMENT(S) AFTER COMPLETION OF THE BIDDING PROCESS ON A RELEVANT ISSUE OPENING/ CLOSING DATE, TO SUCCESSFUL BIDDER(S) IN ACCORDANCE WITH THE PROVISIONS OF THE COMPANIES ACT, AND RELATED RULES, SEBI NCS REGULATION AND THE OPERATIONAL GUIDELINES.

DEBENTURE TRUSTEE	REGISTRAR AND TRANSFER AGENT	CREDIT RATING AGENCY	STATUTORY AUDITOR
AXIS TRUSTEE SERVICES LIMITED **REGISTERED ADDRESS:** AXIS HOUSE, P B MARG, WORLI, MUMBAI, MAHARASHTRA, INDIA, 400025 **CORPORATE ADDRESS:** THE RUBY, 2ND FLOOR, SW, 29 SENAPATI BAPAT MARG, DADAR WEST, MUMBAI, INDIA, 400028 **TELPHONE NUMBER:** 022-62300451 **FAX NUMBER:** 022-43253000 **EMAIL:** DEBENTURETRUSTEE@AXISTRUSTEE.IN; COMPLIANCE@AXISTRUSTEE.IN **WEBSITE:** HTTPS://WWW.AXISTRUSTEE.IN/ **CONTACT PERSON:** CHIEF Operation Officer OR SUCH OTHER DEBENTURE TRUSTEE AS MAY BE SPECIFIED UNDER THE RELEVANT KEY INFORMATION DOCUMENT.	**ALANKIT ASSIGNMENTS LIMITED** **ADDRESS:** 205-208, ANARKALI COMPLEX, JHANDEWALAN, NEW DELHI- 110 055, INDIA **TELEPHONE NUMBER**: +91-11 4254 1234 **FAX NUMBER**: +91-114254 1201 **EMAIL**: HARISH@ALANKIT.COM **WEBSITE**: WWW.ALANKITASSIGNMENTS.COM **CONTACT PERSON**: MR. HARISH AGGARWAL, EXECUTIVE DIRECTOR-LEGAL & COMPLIANCE, OR SUCH OTHER REGISTRAR AND TRANSFER AGENT AS MAY BE SPECIFIED UNDER THE RELEVANT KEY INFORMATION DOCUMENT.	**INDIA RATINGS & RESEARCH PRIVATE LIMITED** **ADDRESS**: WOCKHARDT TOWERS, 4TH FLOOR, WEST WING, BANDRA KURLA COMPLEX, BANDRA EAST, MUMBAI - 400051 **TELEPHONE NUMBER**: +91-22-4000 1700 **FAX NUMBER**: +91-22-4000 1700 **EMAIL ADDRESS**: infogrp@indiaratings.co.in **WEBSITE**: WWW.INDIARATINGS.CO.IN **CONTACT PERSON**: MR. ABHISHEK BHATTACHARYA, *SENIOR DIRECTOR* OR SUCH OTHER CREDIT RATING AGENCY AS MAY BE SPECIFIED UNDER THE RELEVANT KEY INFORMATION DOCUMENT.	**LOGO:** NOT APPLICABLE **WALKER CHANDIOK & CO LLP** **ADDRESS**: L-41, CONNAUGHT CIRCUS, NEW DELHI, 110001, INDIA **TELEPHONE NUMBER**: +91-11 4500 2219 **FAX NUMBER**: +91 124 462 8001 **EMAIL**: RAHUL.KOOL@WALKERCHANDIOK.IN **WEBSITE**: WWW.WALKERCHANDIOK.IN **PEER REVIEW NUMBER**: 020566 **CONTACT PERSON**: MR. RAHUL KOOL, PARTNER

DISCLOSURE UNDER SECTION 26(4) OF THE COMPANIES ACT

SINCE ISSUANCE OF NON-CONVERTIBLE SECURITIES IS BEING MADE ON A PRIVATE PLACEMENT BASIS, THE PROVISIONS OF SECTION 26 OF THE COMPANIES ACT ARE NOT APPLICABLE, AND THEREFORE NO ADDITIONAL DISCLOSURES HAVE BEEN MADE IN RELATION TO SECTION 26 OF THE COMPANIES ACT UNDER THIS GENERAL INFORMATION DOCUMENT AND ACCORDINGLY, A COPY OF THIS GENERAL INFORMATION DOCUMENT HAS NOT BEEN FILED WITH THE RELEVANT REISTRAR(S) OF COMPANIES.

PRIVATE & CONFIDENTIAL

THIS GENERAL INFORMATION DOCUMENT DATED FEBRUARY 11, 2026 IS PREPARED IN CONFORMITY WITH THE SEBI NCS REGULATIONS, SEBI MASTER CIRCULAR, SEBI LODR REGULATIONS, THE OPERATIONAL GUIDELINES AND SECTION 42 OF THE COMPANIES ACT READ WITH THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, EACH AS AMENDED FROM TIME TO TIME.

GENERAL RISKS

INVESTMENT IN NON-CONVERTIBLE SECURITIES IS RISKY, AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN SUCH SECURITIES UNLESS THEY CAN AFFORD TO TAKE THE RISK ATTACHED TO SUCH INVESTMENTS. INVESTORS ARE ADVISED TO TAKE AN INFORMED DECISION AND TO READ THE RISK FACTORS CAREFULLY BEFORE INVESTING IN THIS OFFERING. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR EXAMINATION OF THE ISSUE INCLUDING THE RISKS INVOLVED IN IT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO STATEMENT OF RISK FACTORS CONTAINED UNDER SECTION 3 (*RISK FACTORS*) OF THIS GENERAL INFORMATION DOCUMENT. THESE RISKS ARE NOT, AND ARE NOT INTENDED TO BE, A COMPLETE LIST OF ALL RISKS AND CONSIDERATIONS RELEVANT TO THE NON-CONVERTIBLE SECURITIES OR INVESTOR'S DECISION TO PURCHASE SUCH SECURITIES. THE NON-CONVERTIBLE SECURITIES HAVE NEITHER BEEN RECOMMENDED OR APPROVED BY ANY REGULATORY AUTHORITY IN INDIA, INCLUDING SEBI OR RBI NOR DOES SEBI OR RBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS GENRAL INFORMATION DOCUMENT.

DETAILS OF ELIGIBLE INVESTORS	DETAILS OF THE CREDIT RATING	TYPE OF INSTRUMENT
PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S).	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S).	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)

LISTING

THE NON-CONVERTIBLE SECURITIES AND/ OR COMMERCIAL PAPERS (AS APPLICABLE) ARE PROPOSED TO BE LISTED ON THE WHOLESALE DEBT MARKET SEGMENT OF BSE AND/OR NEGOTIATED TRADE REPORTING PLATFORM UNDER NEW DEBT MARKET OF THE NSE. THE ISSUER SHALL COMPLY WITH THE REQUIREMENTS OF THE SEBI LODR REGULATIONS (DEFINED BELOW) TO THE EXTENT APPLICABLE TO IT ON A CONTINUOUS BASIS. PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT FOR THE 'IN-PRINCIPLE' LISTING APPROVAL FROM THE STOCK EXCHANGE(S).

DETAILS ABOUT UNDERWRITING OF THE ISSUE OF NON-CONVERTIBLE SECURITIES INCLUDING THE AMOUNT UNDERTAKEN TO BE UNDERWRITTEN BY THE UNDERWRITERS	THE NATURE, NUMBER, PRICE AND AMOUNT OF SECURITIES OFFERED AND ISSUE SIZE (BASE ISSUE OR GREEN SHOE), AS MAY BE APPLICABLE
PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)

ISSUE OPENING DATE	ISSUE CLOSING DATE	DATE OF EARLIEST CLOSING
PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)

COUPON RATE	COUPON PAYMENT FREQUENCY	REDEMPTION DATE	REDEMPTION AMOUNT
PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)

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SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, in this General Information Document, the following terms have the meanings given below. All capitalized terms used but not defined herein have the meaning ascribed to such term under the relevant Key Information Document(s). References to statutes, rules, regulations, guidelines, and policies will be deemed to include all amendments and modifications notified thereto. Notwithstanding anything contained in this General Information Document, in case of any inconsistency or repugnancy between the provisions of this General Information Document and the provisions of the relevant Key Information Document(s), the provisions of the relevant Key Information Document(s) shall prevail over the provisions of this General Information Document to the extent of such inconsistency.

1.1 Definitions

Term	Description
Applicable Law	has the meaning as ascribed to the terms "Applicable Law" under the relevant Key Information Document(s).
Board	means Board of Directors of the Issuer.
BSE EBP Platform	means the electronic book provider platform of BSE for issuance of Non-Convertible Securities and Commercial Papers on private placement basis.
Companies Act/ Act	means the (Indian) Companies Act, 2013, and includes any applicable provisions of Companies Act, 1956 which have not been superseded by the relevant provisions of the Companies Act, 2013, as on the relevant date.
Company / Issuer/ SPRL	means Shriram Pistons & Rings Limited.
Commercial Papers	means such commercial papers, the details of which are specified in the relevant Key Information Document(s).
Credit Rating Agency or Rating Agency	means India Ratings & Research Private Limited or such other credit rating agency as may be specified under the relevant Key Information Document.
Debenture(s) / NCDs	has the meaning as ascribed to the terms "Debentures" or "NCDs" under the relevant Key Information Document(s).
Debenture Holders	has the meaning as ascribed to the terms "Debenture Holders" under the relevant Key Information Document(s).
Debenture Trustee or Trustee	means Axis Trustee Services Limited or such other debenture trustee as may be specified under the relevant Key Information Document.
Depository	means a depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018, in this case being NSDL or CDSL.
Depository Participant or DP	means a depository participant as defined under the Depositories Act.
Depositories Act	means the Depositories Act, 1996.
Disclosure Document(s)/ Issue Documents	collectively, means (i) this General Information Document and (ii) the relevant Key Information Document(s).
Eligible Investors	has the meaning as ascribed to the term 'Eligible Investors' in the relevant Key Information Document(s).
General Information Document	means this general information document dated February 11, 2026 issued by the Issuer in accordance with the SEBI NCS Regulations.
Issue	means each issue of Non-Convertible Securities and /or

Term	Description
	Commercial Papers under or pursuant to this General Information Document read together with the relevant Key Information Document(s).
Key Information Document	means the key information document(s) filed for (i) each issuance of Non-Convertible Securities containing disclosures specified under Schedule I of SEBI NCS Regulation and Form PAS 4 as provided under Companies Act and rules thereunder) or (ii) Commercial Papers (as applicable), containing such issue specific details in format specified under Applicable Law.
NSE EBP Platform	means the electronic book provider platform of NSE for issuance of Non-Convertible Securities and Commercial Papers on private placement basis.
OEMs	means Original Equipment Manufacturer.
Promoter	Please refer to Section 4.2 (*Details of the Promoter of the Issuer*) of this General Information Document.
SEBI Act	means the Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Debenture Trustees Master Circular	means the SEBI master circular bearing reference number SEBI/HO/DDHS-PoD-1/P/CIR/2025/117 dated August 13, 2025, as may amended, modified and supplemented, from time to time.
SEBI Master Circular	means the SEBI master circular bearing reference number SEBI/HO/DDHS/DDHS-PoD/P/CIR/2025/0000000137 dated October 15, 2025, as may amended, modified and supplemented, from time to time.
SEBI NCS Regulations	means SEBI (Issue and listing of Non-Convertible Securities) Regulations, 2021 as may be amended, modified, replaced and supplemented from time to time.
SEBI LODR Regulations	means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended, modified, replaced and supplemented from time to time, issued by SEBI.
Stock Exchange(s)	means the NSE and/ or the BSE, as the case may be.
Transaction Documents	means, in relation to an Issue, has the meaning ascribed to the term 'Transaction Documents' in the relevant Key Information Document(s) for such Issue.

1.2 Abbreviations

Abbreviation	Full form
BCP	Business Continuity Plan
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CNG	Compressed Natural Gas
CSR	Corporate Social Responsibility
ESG	Environmental, Social & Governance
Financial Year/ FY	The accounting period commencing from April 1 of the previous year till March 31 of the year under reference.
GoI or Government	Government of India
H-CNG	Hydrogen-enriched Compressed Natural Gas
Rs.	Indian Rupees
IC Engine	Internal Combustion Engine
IR	Integrated Reporting
IT	Information & Technology

Abbreviation	**Full form**
ISIN	International Securities Identification Number
N.A./ NA	Not applicable
NED	Non Executive Director
NED (Independent)	Non Executive Independent Director
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited
PAN	Permanent Account Number
QIBs	Qualified Institutional Buyers, as specified under the SEBI (Issue of Capital and Disclosure Requirements), Regulations, 2018, as amended from time to time.
RBI	Reserve Bank of India
ROC	Registrar of Companies
SDG	Sustainable Development Goals
SEBI	Securities and Exchange Board of India constituted under the SEBI Act

SECTION 2: DISCLAIMERS

2.1 Disclaimer of the Issuer

This General Information Document read with the relevant Key Information Document(s) is neither a prospectus nor a statement in lieu of prospectus under the Companies Act. This General Information Document and the relevant Key Information Document(s) have not been submitted to or approved by the SEBI/ relevant ROC and have been prepared by the Company in conformity with the extant SEBI NCS Regulations, SEBI Master Circular, SEBI LODR Regulations and the Companies Act and relevant rules thereunder. Each issue of the Non-Convertible Securities and /or Commercial Papers, which are to be listed on the Stock Exchange(s), is being made strictly on a private placement basis. This General Information Document does not constitute and shall not be deemed to constitute an offer or an invitation to the public to subscribe to the Non-Convertible Securities and/or Commercial Papers. Neither this General Information Document nor any other information supplied in connection with the Non-Convertible Securities and /or Commercial Paper is intended to provide the basis of any credit or other evaluation and a recipient of this General Information Document and the relevant Key Information Document(s) should not consider such receipt a recommendation to purchase or subscribe to any Non-Convertible Securities and /or Commercial Papers. Each potential investor contemplating the purchase of any Non-Convertible Securities and/or Commercial Papers should make its own independent investigation of the financial condition and affairs of the Company and its own appraisal of the creditworthiness of the Company as well as the structure of the Issue. Eligible Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Non-Convertible Securities and/or Commercial Papers and should possess the appropriate resources to analyze such investment and the suitability of an investment to the investor's particular circumstances. No person has been authorized to give any information or to make any representation not contained in or incorporated by reference in this General Information Document and / or the relevant Key Information Document(s) or in any material made available by the Company to any potential investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the Company.

This General Information Document, the relevant Key Information Document(s) and the contents thereof are addressed only to the intended recipients who have been addressed directly and specifically through communication by the Company. For each Issue, this General Information Document should be read together with the relevant Key Information Document(s) for such Issue. All Eligible Investors are required to comply with the relevant regulations/ guidelines applicable to them for investing in any Issue of the Non-Convertible Securities and/or Commercial Papers. The contents of this General Information Document and the relevant Key Information Document(s) are intended to be used only by those Eligible Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient or made public or its contents disclosed to a third person. No invitation is being made to any person other than the investor to whom this General Information Document and the relevant Key Information Document(s) has been sent. Any application by a person to whom this General Information Document and the relevant Key Information Document(s) has not been sent by the Company may be rejected without assigning any reason.

Save and except as provided below, you shall not and are not authorised to: (1) deliver this General Information Document to any other person; or (2) reproduce this General Information Document, in any manner whatsoever. Any distribution or reproduction or copying of this General Information Document in whole or in part or any public

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Neither the delivery of this General Information Document with the relevant Key Information Document(s) nor the issue of any Non-Convertible Securities and/or Commercial Papers made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Company since the date thereof.

The issue is a domestic issue restricted to India and no steps have been taken or will be taken to facilitate the Issue in any jurisdictions other than India. Hence, this General Information Document and the relevant Key Information Document(s) do not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Non-Convertible Securities and/or Commercial Papers or the distribution of this General Information Document and the relevant Key Information Document(s) in any jurisdiction where such action is required. This General Information Document and the relevant Key Information Document(s) are not intended for distribution to, or use by, any person or entity in any jurisdiction or country where distribution or use of such information would be contrary to law or regulation. Persons in whose possession this General Information Document comes are required to inform themselves about and to observe any such restrictions. This General Information Document and the relevant Key Information Document(s) are made available to Eligible Investors in the Issue on the strict understanding that it is confidential and may not be transmitted to others, whether in electronic form or otherwise, other than their affiliates, potential financing sources, professional advisors and consultants.

The Company has no side letters with any holders of the Non-Convertible Securities or Commercial Papers (as applicable). Any covenants later added shall be disclosed on the website of the Stock Exchange where the Non-Convertible Securities and/or Commercial Papers are listed.

The Issuer accepts no responsibility for statements made otherwise than in this General Information Document and the relevant Key Information Document(s) or in the advertisement or any other material issued by or at the instance of the Issuer and that anyone placing reliance on any other source of information would be doing so at their own risk.

This General Information Document and the relevant Key Information Document(s) have been prepared by the Issuer solely to provide general information about the Issuer and for setting out the key terms upon which the Non-Convertible Securities and/or Commercial Papers are being issued, to eligible investors to whom it is addressed and who are willing and eligible to subscribe to the Non-Convertible Securities and/or Commercial Papers. This General Information Document and the relevant Key Information Document(s) do not purport to contain all the information that any eligible investor may require. Further, this General Information Document and the relevant Key Information Document(s) have been prepared for information purposes relating to issue of Non-Convertible Securities and/or Commercial Papers only

and upon the express understanding that it will be used only for the purposes set forth herein.

The Issuer has not omitted any material fact necessary to make and the statements made herein are not misleading in the light of the circumstances under which they are made. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this General Information Document and the relevant Key Information Document(s) or in any manner made available by the Issuer to any potential investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer. The Issuer confirms that all information considered adequate and relevant to the Issue has been made available in this General Information Document and the relevant Key Information Document(s) for the use and perusal of the potential investors and no selective or additional information would be made available to any section of investors in any manner whatsoever.

Issuer's Absolute Responsibility

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this General Information Document contains all information with regard to the Issuer and the Issue which is material in the context of the Issue, that the information contained in the General Information Document is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which would make this document as a whole or any of such information or the expression of any such opinion or intentions misleading.

2.2 **Disclaimer in respect of SEBI**

This General Information Document has not been filed with SEBI. The Non-Convertible Securities or Commercial Papers (as applicable) have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this General Information Document.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS GENERAL INFORMATION DOCUMENT TO SEBI, SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE OF NON-CONVERTIBLE SECURITIES OR COMMERCIAL PAPERS (AS APPLICABLE) IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS GENERAL INFORMATION DOCUMENT. THE LEAD MANAGER(S), IF ANY, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE GENERAL INFORMATION DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE OF NON-CONVERTIBLE SECURITIES OR COMMERCIAL PAPERS (AS APPLICABLE).

2.3 **Disclaimer in respect of the Stock Exchange(s)**

As required, a copy of this General Information Document along with the relevant Key Information Document(s) shall be submitted to the Stock Exchange(s) for hosting the same on its website.

It is to be distinctly understood that such submission of this General Information Document along with the relevant Key Information Document(s) with Stock Exchange(s) or hosting the same on its website should not in any way be deemed or

construed that the document has been cleared or approved by the Stock Exchange(s); nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this General Information Document and the relevant Key Information Document(s); nor does it warrant that the Issuer's Non-Convertible Securities or Commercial Papers (as applicable) will be listed or continue to be listed on the Stock Exchange(s); nor does it take responsibility for the financial or other soundness of the Issuer, its Promoter, its management or any scheme or project of the Issuer. Every person who desires to apply for or otherwise acquire any Non-Convertible Securities or Commercial Papers (as applicable) of the Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchange(s) whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

2.4 **Disclaimer in respect of Jurisdiction**

Issue of the Non-Convertible Securities or Commercial Papers (as applicable) have been / will be made in India to Eligible Investors as specified under this General Information Document and as may be set out in the relevant Key Information Document, who have been / shall be specifically approached by the Company. This General Information Document is not to be construed or constituted as an offer to sell or an invitation to subscribe to Non-Convertible Securities or Commercial Papers (as applicable) offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of any Issue will be subject to the jurisdiction of the courts and tribunals set out in the relevant Key Information Document. This General Information Document does not constitute an offer to sell or an invitation to subscribe to the Non-Convertible Securities or Commercial Papers (as applicable) herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. The sale or transfer of the Non-Convertible Securities or Commercial Papers (as applicable) outside India may require regulatory approvals in India, including without limitation, the approval of the RBI or other regulatory authority.

2.5 **Disclaimer in respect of Credit Rating Agency**

The ratings by the Credit Rating Agency should not be treated as a recommendation to buy, sell or hold the rated Debentures. Rating given by the Credit Rating Agency is subject to a process of surveillance which may lead to a revision in rating. Please visit the websites or contact the Credit Rating Agency office for the latest information on rating given by the Credit Rating Agency. All information contained herein has been obtained by the Credit Rating Agency from sources believed by them to be accurate and reliable. Although reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and the Credit Rating Agency in particular, make no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. All information contained herein must be construed solely as statements of opinion and the Credit Rating Agency shall not be liable for any losses incurred by users from any use of this publication or its contents. Most entities whose bank facilities / instruments are rated by the Credit Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities / instruments.

Please refer to **Annexure 8** (*Credit Rating Letter and Rating Rationale/ Press Release*) of this General Information Document for the credit rating letters and rating rationale/ press release and further details.

2.6 **Disclaimer in respect of the Debenture Trustee**

The Debenture Trustee, "ipso facto" does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the Debentures. The Debenture Trustee does not make nor deems to have made any representation on the Issuer, its operations, the details and projections about the Issuer or the Debentures under offer made in this General Information Document read with the relevant Key Information Document(s). Investors are advised to read carefully the Key Information Document(s) and make their own enquiry, carry out due diligence and analysis about the Issuer, its performance and profitability and details in this General Information Document read with the relevant Key Information Document before taking their investment decision. The Debenture Trustee shall not be responsible for the investment decision and its consequences.

2.7 **Disclaimer in respect of the Arranger(s)**

As specified in the relevant Key Information Document(s).

2.8 **Disclaimer in respect of the Lead Manager, if applicable**

As specified in the relevant Key Information Document(s).

2.9 **Disclaimer in respect of RBI**

The Non-Convertible Securities or Commercial Papers (as applicable) have not been recommended or approved by the RBI nor does RBI guarantee the accuracy or adequacy of this General Information Document. It is to be distinctly understood that this General Information Document should not, in any way, be deemed or construed that the Non-Convertible Securities or Commercial Papers (as applicable) have been recommended for investment by the RBI. RBI does not take any responsibility either for the financial soundness of the Issuer, or the Non-Convertible Securities or Commercial Papers (as applicable) being issued by the Issuer or for the correctness of the statements made or opinions expressed in this General Information Document. Potential investors may make investment decision in the Non-Convertible Securities or Commercial Papers (as applicable) offered in terms of this General Information Document solely on the basis of their own analysis and RBI does not accept any responsibility about servicing/repayment of such investment.

RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Company or for the correctness of any of the statements or representations made or opinions expressed by the Company and for discharge of liability by the Company.

2.10 **Cautionary Note**

The investors acknowledge by the receipt of this General Information Document and the relevant Key Information Document(s) that they, (i) are knowledgeable and experienced in financial and business matters, have expertise in assessing credit, market and all other relevant risk and are capable of evaluating, and have evaluated, independently the merits, risks and suitability of purchasing the Non-Convertible Securities or Commercial Papers (as applicable), (ii) understand that the Company has not provided, and will not provide, any material or other information regarding the Non-Convertible Securities or Commercial Papers (as applicable), except as included in this General Information Document and the relevant Key Information Document(s), (iii) have not requested the Company to provide it with any such material or other information, (iv) have not relied on any investigation that any person acting on their behalf may have conducted with respect to the Non-Convertible Securities or Commercial Papers (as applicable), (v) have made their own investment decision

regarding the Non-Convertible Securities or Commercial Papers (as applicable) based on their own knowledge (and information they have or which is publicly available) with respect to the Non-Convertible Securities or Commercial Papers (as applicable) or the Company, (vi) have had access to such information as deemed necessary or appropriate in connection with purchase of the Non-Convertible Securities or Commercial Papers (as applicable), (vii) are not relying upon, and have not relied upon, any statement, representation or warranty made by any person, including, without limitation, the Company, (viii) has reviewed the terms and conditions applicable to the Non-Convertible Securities or Commercial Papers (as applicable) as contained in this General Information Document and the relevant Key Information Document and the Transaction Documents and has understood the same, and has also reviewed the risk disclosures contained herein, (ix) has legal ability to invest in the Non-Convertible Securities or Commercial Papers (as applicable) and the investment does not contravene any provision of any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the holders of Non-Convertible Securities or Commercial Papers (as applicable) or its assets, and (x) understand that, by purchase or holding of the Non-Convertible Securities or Commercial Papers (as applicable), they are assuming and are capable of bearing the risk of loss that may occur with respect to the Non-Convertible Securities or Commercial Papers (as applicable), including the possibility that they may lose all or a substantial portion of their investment in the Non-Convertible Securities or Commercial Papers (as applicable) and they will not look to the arrangers and/or any of their affiliates for all or part of any such loss or losses that they may suffer.

Neither this General Information Document nor the relevant Key Information Document(s) nor any other information supplied in connection with the issue of Non-Convertible Securities or Commercial Papers (as applicable) is intended to provide the basis of any credit or other evaluation and any recipient of this General Information Document and the relevant Key Information Document should not consider such receipt as a recommendation to purchase any Non-Convertible Securities or Commercial Papers (as applicable). Each investor contemplating purchasing any Non-Convertible Securities or Commercial Papers (as applicable) should make its own independent investigation of the financial condition and affairs of the Company, and its own appraisal of the creditworthiness of the Company. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Non-Convertible Securities or Commercial Papers (as applicable) and should possess the appropriate resources to analyze such investment and the suitability of such investment to such investor's particular circumstances. Prospective investors are required to make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt markets and are able to bear the economic risk of investing in such instruments.

This General Information Document and the relevant Key Information Document(s) are made available to potential investors on the strict understanding that it is confidential. Recipients shall not be entitled to use any of the information otherwise than for the purpose of deciding whether or not to invest in the Non-Convertible Securities or Commercial Papers (as applicable). The person who is in receipt of this General Information Document and the relevant Key Information Document shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding the contents hereof without the consent of the Company. The recipient agrees to keep confidential all information provided (or made available hereafter), including, without limitation, the existence and terms of the issue, any specific pricing information related to the issue or the amount or terms of any fees payable to the arrangers or other parties in connection with the Issue. This General Information Document and the relevant Key Information Document may not be

photocopied, reproduced, or distributed to others at any time without the prior written consent of the Company. Upon request, the recipients will promptly return all material received from the Company or the arrangers and/or any of their affiliates (including this General Information Document and the relevant Key Information Document) without retaining any copies hereof. If any recipient of this General Information Document and the relevant Key Information Document decides not to participate in the Issue, that recipient must promptly return this General Information Document and the relevant Key Information Document and all reproductions whether in whole or in part and any other information statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto or received in connection with the issue, to the Company.

No person, including any employee of the Company, has been authorised to give any information or to make any representation not contained in this General Information Document and the relevant Key Information Document. Any information or representation not contained herein must not be relied upon as having been authorised by or on behalf of the Company. Neither the delivery of this General Information Document and the relevant Key Information Document at any time nor any statement made in connection with the offering of the Non-Convertible Securities or Commercial Papers (as applicable) shall under the circumstances imply that any information/ representation contained herein is correct at any time subsequent to the date of this General Information Document.

2.11 Issue in dematerialised form

The Non-Convertible Securities and/or Commercial Papers will be issued in dematerialised form. The Issuer has made arrangements with the Depository for the issue of the Non-Convertible Securities and/or Commercial Papers in dematerialised form. The investor will have to hold the Non-Convertible Securities and/or Commercial Papers in dematerialised form as per the provisions of Depositories Act. The Issuer shall take necessary steps to credit the Non-Convertible Securities and/or Commercial Papers allotted to the beneficiary account maintained by the investor with its depositary participant.

2.12 Forward looking statements

Certain statements in this General Information Document are not historical facts but are "forward-looking" in nature. Forward-looking statements appear throughout this General Information Document, including, without limitation, under the section titled "Risk Factors". Forward-looking statements include statements concerning the Issuer's plans or financial performance, capital expenditure, etc., if any, the Issuer's competitive strengths and weaknesses and the trends the Issuer anticipates in the industry, along with the political and legal environment, and geographical locations, in which the Issuer operates, and other information that is not historical information.

Words such as "aims", "anticipate", "believe", "could", "continue", "estimate", "expect", "future", "goal", "intend", "is likely to", "may", "plan", "predict", "project", "seek", "should", "targets", "would" and similar expressions, or variations of such expressions, are intended to identify and may be deemed to be forward-looking statements but are not the exclusive means of identifying such statements.

By their nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and assumptions about the Issuer, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved.

These risks, uncertainties and other factors include (but are not limited to), among other things, those listed under Section 3 (*Risk Factors*) of this General Information Document, as well as those included elsewhere in this General Information Document. Prospective investors should be aware that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited, to the factors mentioned in Section 3 (*Risk Factors*) of this General Information Document.

SECTION 3: RISK FACTORS

An investment in Non-Convertible Securities or Commercial Papers (as applicable) involves risks. These risks may include, among others, business aspects, equity market, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Some of these are briefly discussed below. Potential investors and subsequent purchasers of the Non-Convertible Securities or Commercial Papers (as applicable) should be experienced with respect to transactions instruments such as the Non-Convertible Securities or Commercial Papers (as applicable).

Potential investors and subsequent purchasers of the Non-Convertible Securities or Commercial Papers (as applicable) should understand the risks associated with an investment in the Non-Convertible Securities or Commercial Papers (as applicable) and should only reach an investment decision after careful consideration, with their legal, tax, accounting and other advisers, of (a) the suitability of an investment in the Non-Convertible Securities or Commercial Papers (as applicable) in the light of their own particular financial, tax and other circumstances and (b) the information set out in this General Information Document. Unless the context requires otherwise, the risk factors described below apply to the Issuer only. If any one of the risks enumerated below occurs, the Issuer's business, financial conditions and results of operations could suffer and therefore, the value of Issuer's Non-Convertible Securities or Commercial Papers (as applicable) could decline.

The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.

This General Information Document also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. The Issuer's actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors including the considerations described below and elsewhere in this General Information Document.

Every business carries certain inherent risks and uncertainties that can affect its financial condition, results of operations and prospects. The management of the Issuer understands that risks can negatively impact the attainment of both short term operational and long-term strategic goals.

The following factors have been considered for determining the materiality, of which:

a) Some events may not be material individually but may be found material collectively.

b) Some events may have material impact qualitatively instead of quantitatively.

c) Some events may not be material at present but may have material impact in future.

d) The Issuer believes that these risk factors may affect its ability to fulfil its obligations under the Non-Convertible Securities or Commercial Papers (as applicable) issued under this General Information Document. All of these factors may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such event occurring. The following are the risks envisaged by the management of the Issuer relating to the Issuer, the Non-Convertible Securities or Commercial Papers (as applicable) and the market in general. Potential investors should carefully consider all the risk factors in this General Information Document for evaluating the Issuer and its business and the Non-Convertible Securities or Commercial Papers (as applicable) before making any investment decision. Unless the context requires otherwise, the risk factors described below apply to the Issuer. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Non-Convertible Securities or Commercial

Papers (as applicable) but does not represent that the statements below regarding the risks of holding the Non-Convertible Securities or Commercial Papers (as applicable) are exhaustive. The order of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. The investors should also read the detailed information set out elsewhere in this General Information Document and reach their own views prior to making any investment decision.

If any one of the following stated risks actually occurs, the Issuer's business, financial conditions and results of operations could suffer and, therefore, the value of the Non-Convertible Securities or Commercial Papers (as applicable) could decline and/or the Issuer's ability to meet its obligations in respect of the Non-Convertible Securities or Commercial Papers (as applicable) could be affected. More than one risk factor may have simultaneous effect with regard to the Non-Convertible Securities or Commercial Papers (as applicable) such that the effect of a particular risk factor may not be predictable. No prediction can be made as to the effect that any combination of risk factors may have on the value of the Non-Convertible Securities or Commercial Papers (as applicable) and/or the Company's ability to meet its obligations in respect of the Non-Convertible Securities or Commercial Papers (as applicable).

Please note that unless specified or quantified in the relevant risk factors, the Issuer is not in a position to quantify the financial or other implications of any risk mentioned herein below:

3.1 ***Risks in relation to the Non-Convertible Securities***

3.1.1 ***Risks related to the issuance of Non-Convertible Securities or Commercial Papers (as applicable)***

Please refer to the relevant Key Information Document(s).

3.1.2 ***Risks in relation to the security created in relation to the Non-Convertible Securities, if any***

Please refer to the relevant Key Information Document(s).

3.1.3 ***Refusal of listing of any security of the Issuer during preceding 3 (three) financial years and current financial year by any of the Stock Exchanges in India or abroad.***

There has been no refusal in listing of any security during the last three years by any stock exchanges. In accordance with Indian law and practice, permissions for listing and trading of the Non-Convertible Securities issued pursuant to this Issue will not be granted until after the Non-Convertible Securities have been issued and allotted. Approval for listing and trading will require all relevant documents to be submitted and carrying out of necessary procedures with the Stock Exchange. There could be a failure or delay in listing the Non-Convertible Securities on the Stock Exchange for reasons unforeseen.

Further, certain debt securities that may be issued by the Issuer in future may be listed on the designated stock exchange(s). If these securities are delisted from the designated stock exchange(s) for any reason whatsoever, the same may be in breach of certain covenants contained in the documents pertaining to such debt securities, leading to a default under such debt securities. Such default may trigger mandatory redemption provisions under the Non-Convertible Securities.

3.1.4 ***Limited or sporadic trading of Non-Convertible Securities of the Issuer on the Stock***

Exchanges.

The Company intends to list the Non-Convertible Securities on the wholesale debt market segment of the designated Stock Exchange. The Company cannot provide any guarantee that the Non-Convertible Securities will be frequently traded on the designated Stock Exchange or that there would be any market for Non-Convertible Securities at all. It is not possible to predict if and to what extent a secondary market may develop for the Non-Convertible Securities or at what price the Non-Convertible Securities will trade in the secondary market or whether such market will be liquid or illiquid. The fact that the Non-Convertible Securities may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity than if they were not so listed or quoted or admitted to trading. The more limited the secondary market is, the more difficult it may be for holders of the Non-Convertible Securities to realise value for the Non-Convertible Securities prior to redemption. Price volatility may also result from many other factors, including the Company's results of operations, financial and business condition.

3.1.5 ***In case of outstanding debt instruments or deposits or borrowings, any default in compliance with the material covenants such as creation of security as per terms agreed, default in payment of interest, default in redemption or repayment, non-creation of debenture redemption reserve, default in payment of penal interest wherever applicable.***

Our ability to comply with these covenants is subject to various factors including our financial condition, profitability, and the general economic conditions in India and in the global financial markets. In accordance with the terms and conditions of the outstanding debt instruments, deposits, or borrowings, any failure to comply with the material covenants could lead to significant risks. These covenants may include the creation of security as per terms agreed, default in payment of interest, default in redemption or repayment, and default in payment of penal interest/ default interest, among others.

While our Company shall take all necessary steps to comply with these covenants within the timelines prescribed under the agreements and the applicable law, there could be a failure or delay in compliance due to unforeseen circumstances. Any such default could lead to penalties, legal actions, or even trigger a default on other obligations under cross-default provisions which may adversely affect our business, results of operations, financial condition and cash flows. There is no assurance that the Company will be able to avoid such defaults, and any such event could expose you to significant financial and legal risks. It is important for Eligible Investors to understand these risks and consider them when making their investment decisions.

3.1.6 ***All covenants including the accelerated payment covenants given by way of side letters shall be incorporated in the Issue Documents by the Issuer***

Please refer to the relevant Key Information Document(s).

3.1.7 ***A risk factor to state that while the Debenture is secured against a charge to the tune of 100% of the principal and interest amount in favour of Debenture Trustee, and it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the possibility of recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security***

Please refer to the relevant Key Information Document(s).

3.1.8 ***If secured, any risks in relation to maintenance of security cover or full recovery of the security in case of enforcement***

Please refer to the relevant Key Information Document(s).

3.2 **Internal Risks**

(i) **Operational Risks**

The Company's manufacturing operations may be subject to disruptions arising from industrial relations issues, natural events, pandemics, or other unforeseen incidents such as fire or health-related emergencies. Such events, if prolonged, could impact production schedules and delivery timelines. The Company has established safety protocols, insurance coverage, and business continuity plans to manage such risks and to minimize operational disruptions; however, certain events may be beyond its control.

(ii) **Product Quality Risks**

The Company's operations require adherence to stringent quality standards in line with customer and regulatory requirements. Any lapse in quality, whether arising from internal processes or supplier-related factors, may lead to customer dissatisfaction, product recalls, reputational damage, and financial losses. The Company has implemented comprehensive quality management systems, supplier audits, and continuous improvement initiatives to mitigate such risks, though quality-related challenges may arise from time to time in complex manufacturing environments

(iii) **Quality, including Internal (Health of Machines, Process Capability, etc.) and External Factors**

Product quality remains paramount for optimum operations of the Company. The Company has implemented robust quality systems. Continuous process audits, defect elimination, and the adoption of root-cause analysis strengthen product reliability.

(iv) **Talent Management: Retention of Talent and Competency/Skill Development**

The Company's performance is dependent on its ability to attract, retain, and develop skilled employees, particularly in areas such as engineering, manufacturing, and research & development. A successful talent management strategy is a dynamic and continuous process that requires a strategic, thoughtful implementation. Talent development, training, and succession planning form an integral part of the Company's human resource strategy. While talent mobility is a normal aspect of the industry, the Company's structured people practices and organizational depth support continuity of operations and long-term capability building.

(v) **This General Information Document includes certain unaudited financial information, which has been subjected to limited review, in relation to the Company. Accordingly, reliance on such information should, be limited**

This General Information Document includes certain unaudited financial information, which has been subjected to limited review by the auditors, in relation to the Company. This General Information Document includes unaudited financial results in relation to the Company for the quarter and period ended December 31, 2025, in respect of which the auditors have issued the limited review report dated February 2, 2026. As the limited review financial information prepared by the Company in accordance with the SEBI LODR

Regulations have been subject only to a limited review. Any reliance by prospective investors on such limited review financial information for the quarter and period ended December 31, 2025, should, accordingly, be limited. Any financial results published in the future may not be consistent with past performance. Accordingly, prospective investors should rely on their independent examination of the financial position and results of operations of the Company, and should not place undue reliance on, or base their investment decision solely on the financial information included in this General Information Document.

3.3 **External Risks**

(i) **Impact on Internal Combustion Engine due to electrification, advancement in alternate fuels and Competition.**

The automotive industry is gradually evolving in response to emission norms, technological advancements, and the increasing adoption of electrification and alternate fuel technologies. These developments may, over time, influence demand patterns for internal combustion engine components, including pistons and piston rings.

Internal Combustion engines are expected to continue to have relevance across certain vehicle segments and applications over the medium term, with the pace of transition varying across markets. The Company remains focused on product development, application diversification, and strengthening its presence in the replacement and export markets to remain aligned with industry developments like investing in electric powertrain solutions, exploring opportunities in hybrid and alternate fuel technologies like hybrid, hydrogen, CNG, H-CNG, flex fuels, bio fuels etc., increasing sales in replacement markets, creating flexibility in production facilities to mitigate the risks involved.

The Company has undertaken a calibrated diversification strategy beyond conventional ICE products. Leveraging its core strengths in precision engineering and OEM relationships, the Company has expanded into non-ICE and future-ready segments, including electric vehicle ("EV") drivetrain components such as motors and controllers, precision-engineered injection-moulded parts and automotive Interior and electronic lighting solutions.

(ii) **Economic Slowdown, Supply Chain Disruptions, and Global Trade Risks**

The Company's operations and financial performance are significantly influenced by prevailing macroeconomic conditions in India and globally. Factors such as inflation, interest rate fluctuations, currency volatility, and moderation in demand in the automotive sector may adversely impact customer ordering patterns, pricing dynamics, and overall business conditions. Any global financial turmoil or slowdown in major economies could indirectly affect the Indian economy and, consequently, the Company's performance. In addition, disruptions in the supply chain, including delays in raw material procurement, logistics bottlenecks, or geopolitical events, may adversely affect production schedules and increase costs. While the Company has adopted diversified supplier relationships and procurement strategies, such risks remain inherent to the business environment.

In addition, the Company faces competitive pressures arising from industry overcapacity, pricing challenges, and potential moderation in replacement demand in both OEM and aftermarket segments.

Further, global trade dynamics pose additional risks. Potential tariff hikes in major automotive markets, as well as export restrictions by countries such as China on rare earth magnets and heavy metals, could disrupt supply chains, increase input costs, and impact the competitiveness of Indian auto component manufacturers, including the Company.

(iii) **Cyber Security**

Confidential information leakage can adversely impact operations of the Company. With the increasing threat of cyber-attacks, the Company has adopted advanced cyber security measures, including enhanced IT infrastructure, employee training programs, and compliance with global standards. Regular system audits and updates ensure data protection and operational integrity.

(iv) **Environment Social Governance (ESG)/ SDG Goals**

The Company operates in an environment of increasing focus on environmental, social, and governance (ESG) practices by regulators, investors, and customers. Evolving ESG expectations, including those relating to emissions, energy efficiency, and workplace safety, may require ongoing investments and operational adjustments. The Company has articulated sustainability objectives, including long-term carbon neutrality targets, and continues to integrate ESG considerations into its business strategy; however, achievement of these objectives is subject to external, technological, and regulatory factors. The Company has received Bronze – Top 35% recognition from Ecovadis, the Sustainability Excellence Award 2025 from the Indian Chamber of Commerce, and a "B" rating in Climate & Water Disclosure for its efforts towards sustainability.

SECTION 4: ISSUER INFORMATION

4.1 General Information about the Issuer

Details	Particulars
Company	Shriram Pistons & Rings Limited
Date of Incorporation	December 9, 1963
Corporate Identification Number	L29112DL1963PLC004084
Registered Office and Corporate Office	**Registered Office**: 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi, 110001, India **Corporate Office**: 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi, 110001, India
Telephone	+91 11 2331 5941
Email	compliance.officer@shrirampistons.com
Fax Number	+91-11 2331 1203
Website	www.shrirampistons.com
Company Secretary & Compliance Officer	Mr. Pankaj Gupta Designation: Company Secretary & Compliance Officer Address: 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi , 110001, India Phone No.: +91-11 2331 5941 Email ID: pankaj.gupta@shrirampistons.com
Arranger	Please refer to the relevant Key Information Document.
Chief Financial Officer	Mr. Prem Prakash Rathi Designation: Chief Financial Officer Address: 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi , 110001, India Phone No: +91-11 2331 5941 Email ID: prem.rathi@shrirampistons.com

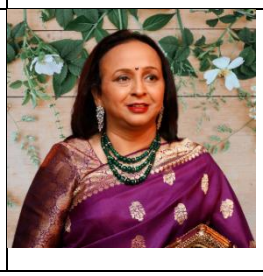
4.2 Details of the Promoter of the Issuer

A complete profile of all the Promoter & Promoter Group, including their name, date of birth, age, educational qualifications, experience in the business or employment, positions/posts held in the past, directorships held, other ventures of each promoter, special achievements, their business and financial activities, photograph.

Sr. No.	Particulars	Details
1	Name of the Promoter	Mr. Luv D. Shriram
2	Brief Description	Whole-time Director and Promoter
3	Date of Birth	August 2, 1972
4	Age	53 Years
5	Educational Qualifications	Bachelor's degree in commerce from Shriram College of Commerce, University of Delhi
6	Experience in the business or employment	He is an Industrialist with extensive expertise in management and finance. He belongs to the promoter category
7	Positions/posts held in the past	Managing Director, Canpac Veritech Solutions Private Limited (*formerly known as Shriram Veritech Solutions Private Limited*)
8	Directorships held	i) Manisha Commercial Private Limited ii) Sera Com Private Limited iii) Kiki Farms Private Limited

Sr. No.	Particulars	Details
		iv) Sarva Commercial Private Limited v) Shabnam Commercial Private Limited vi) Shriram Marketing Private Limited vii) Itara Prints Private Limited viii) SPR Engenious Limited ix) Antolin Lighting India Private Limited x) Grupo Antolin India Private Limited xi) Grupo Antolin Chakan Private Limited
9	Other ventures of each promoter	Please refer to point 8 above.
10	Special Achievements	• He has been a Founder Member of ASPA (Authentication Solutions Providers' Association), an association of Hologram Manufacturing Companies and actively participated in its running as the General Secretary and Treasurer. • He is actively involved in philanthropic activities of Shriram Bharatiya Kala Kendra, a world renowned cultural NGO, as a Governing Council Member, and as a Trustee of Bharatiya Kala Kendra Trust since 24.02.2017.
11	Business and Financial activities	Please refer to point 6 and 8 above.
12	Photograph	

Sr. No.	Particulars	Details
1	Name of the Promoter	**Ms. Meenakshi Dass**
2	Brief Description	Non-Executive Director and Promoter
3	Date of Birth	April 4, 1964
4	Age	61 Years
5	Educational Qualifications	Degree in Textile Designing
6	Experience in the business or employment	Ms. Dass has been on the Board of the Company since March 2009 and belongs to the Promoter Category. She has vast experience in managing Company's affairs.
7	Positions/posts held in the past	Whole-time Director in Shriram Pistons & Rings Limited
8	Directorships held	i) PLS Construction Equipment Limited ii) Manisha Commercial Private Limited iii) SPR Engenious Limited

Sr. No.	Particulars	Details
		iv) Sera Com Private Limited v) Pearey Lall & Sons (E.P.) Private Limited vi) Wylie Indicators Limited vii) Sarva Commercial Private Limited viii) Shabnam Commercial Private Limited ix) Heritage Desk Solutions Private Limited x) Antolin Lighting India Private Limited xi) Grupo Antolin India Private Limited xii) Grupo Antolin Chakan Private Limited
9	Other ventures of each promoter	Please refer to point 8 above.
10	Special Achievements	As Chairperson of M/s. Pearey Lall & Sons (E.P.) Private Limited and M/s. Wylie Indicators Limited, she has provided strategic leadership in restructuring operations through the adoption of new technologies, modern business practices, and refreshed branding initiatives. She has also been closely associated with Shriram Bharatiya Kala Kendra, a well recognised cultural institution, as a Governing Council Member and Trustee since 2006. Currently serving as a Working Trustee, she is actively involved in professionalising operations, strengthening governance structures, and enhancing long-term sustainability and strategic growth of Shriram Bharatiya Kala Kendra, Kamani Auditorium, and Bharatiya Kala Kendra Trust.
11	Business and Financial activities	Please refer to point 6 and 8 above.
12	Photograph	

Sr. No.	Particulars	Details
1	Name of the Promoter	**Ms. Nandishi Shriram**
2	Brief Description	Engaged in the family businesses
3	Date of Birth	March 22, 1967
4	Age	58 Years
5	Educational Qualifications	Degree in Ornament Designing
6	Experience in the business or employment	She possesses extensive experience in managing and leading business operations effectively.
7	Positions/posts held in the past	Not Applicable

Sr. No.	Particulars	Details
8	Directorships held	Not Applicable
9	Other ventures of each promoter	Proprietor of Ligne International
10	Special Achievements	Not Applicable
11	Business and Financial activities	Proprietor of Ligne International
12	Photograph	

Sr. No.	Particulars	Details
1	Name of the Promoter	**Mr. Kush D. Shriram**
2	Brief Description	Engaged in the family businesses
3	Date of Birth	August 2, 1972
4	Age	53 Years
5	Educational Qualifications	Bachelors of Commerce
6	Experience in the business or employment	He possesses extensive experience in managing and leading business operations effectively.
7	Positions/posts held in the past	Not Applicable
8	Directorships held	Not Applicable
9	Other ventures of each promoter	Not Applicable
10	Special Achievements	Not Applicable
11	Business and Financial activities	Not Applicable
12	Photograph	

Sr. No.	Particulars	Details
1	Name of the Promoter	**Manisha Commercial Private Limited**
2	Brief Description	Investment Company
3	Date of Incorporation	June 2, 1984
4	Age	Not Applicable
5	Educational Qualifications	Not Applicable
6	Experience in the business or employment	Not Applicable
7	Positions/posts held in the past	Not Applicable
8	Directorships held	Not Applicable
9	Other ventures of each promoter	Not Applicable
10	Special Achievements	Not Applicable
11	Business and Financial activities	Investment Company
12	Photograph	Not Applicable

Sr. No.	Particulars	Details
1	Name of the Promoter	**Sarva Commercial Private Limited**
2	Brief Description	Investment Company
3	Date of Incorporation	June 2, 1984
4	Age	Not Applicable
5	Educational Qualifications	Not Applicable
6	Experience in the business or employment	Not Applicable
7	Positions/posts held in the past	Not Applicable
8	Directorships held	Not Applicable
9	Other ventures of each promoter	Not Applicable
10	Special Achievements	Not Applicable
11	Business and Financial activities	Investment Company
12	Photograph	Not Applicable

Sr. No.	Particulars	Details
1	Name of the Promoter	**Sera Com Private Limited**
2	Brief Description	Investment Company
3	Date of Incorporation	June 2, 1984
4	Age	Not Applicable
5	Educational Qualifications	Not Applicable
6	Experience in the business or employment	Not Applicable
7	Positions/posts held in the past	Not Applicable

Sr. No.	Particulars	Details
8	Directorships held	Not Applicable
9	Other ventures of each promoter	Not Applicable
10	Special Achievements	Not Applicable
11	Business and Financial activities	Investment Company
12	Photograph	Not Applicable

Sr. No.	Particulars	Details
1	Name of the Promoter	**Shabnam Commercial Private Limited**
2	Brief Description	Investment Company
3	Date of Incorporation	June 2, 1984
4	Age	Not Applicable
5	Educational Qualifications	Not Applicable
6	Experience in the business or employment	Not Applicable
7	Positions/posts held in the past	Not Applicable
8	Directorships held	Not Applicable
9	Other ventures of each promoter	Not Applicable
10	Special Achievements	Not Applicable
11	Business and Financial activities	Investment Company
12	Photograph	Not Applicable

Sr. No.	Particulars	Details
1	Name of the Promoter	**Deepak Shriram Family Benefit Trust**
2	Brief Description	Trust established by Promoters under The Indian Trusts Act, 1882
3	Date of Incorporation	January 23, 2004
4	Age	Not Applicable
5	Educational Qualifications	Not Applicable
6	Experience in the business or employment	Not Applicable
7	Positions/posts held in the past	Not Applicable
8	Directorships held	Not Applicable
9	Other ventures of each promoter	Not Applicable
10	Special Achievements	Not Applicable
11	Business and Financial activities	Trust established by Promoters under The Indian Trusts Act, 1882
12	Photograph	Not Applicable

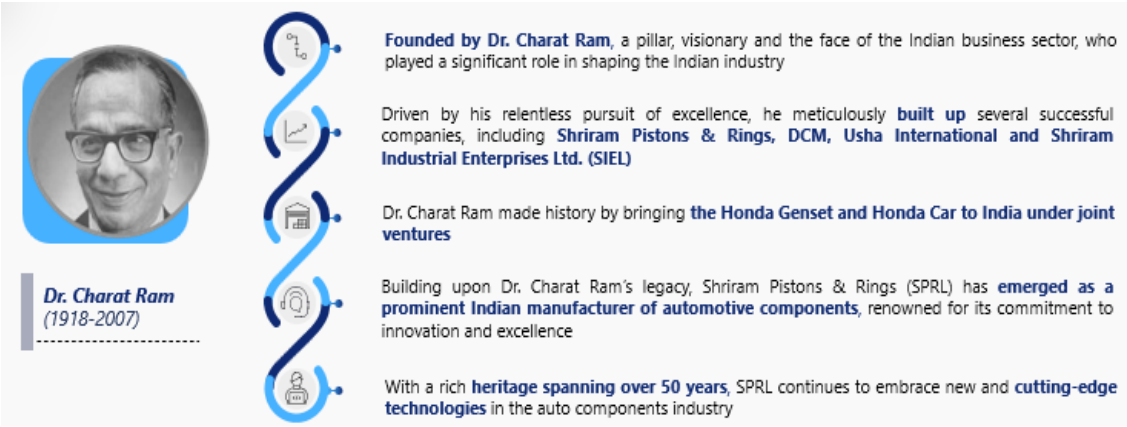
Sr. No.	Particulars	Details
1	Name of the Promoter	**NAK Benefit Trust**
2	Brief Description	Trust established by Promoters under The Indian Trusts Act, 1882
3	Date of Incorporation	May 18, 2016
4	Age	Not Applicable
5	Educational Qualifications	Not Applicable
6	Experience in the business or employment	Not Applicable
7	Positions/posts held in the past	Not Applicable
8	Directorships held	Not Applicable
9	Other ventures of each promoter	Not Applicable
10	Special Achievements	Not Applicable
11	Business and Financial activities	Trust established by Promoters under The Indian Trusts Act, 1882
12	Photograph	Not Applicable

Our Company confirms that the permanent account number, aadhaar number, driving license number, bank account number(s), passport number and personal address of the Promoter (as applicable) and permanent account number of Directors have been submitted to the relevant Stock Exchange(s) at the time of filing of in-principle application with the relevant Stock Exchange(s).

4.3 Overview and a brief summary of the business activities of the Issuer

Incorporated in 1963, Shriram Pistons & Rings Limited (SPRL) is a leading public-listed auto component manufacturer in India. With an exceptional lineage of the Shriram Group, one of India's oldest and most reputed industrial houses, SPRL has over six decades of operating history and is recognised as a trusted supplier of critical drivetrain and engine components to domestic and global Original Equipment Manufacturers ("**OEMs**").

Heritage of the Shriram Group



Business Overview

SPRL is primarily engaged in the manufacture and marketing of automotive internal combustion engine ("ICE") drivetrain components and assemblies viz. pistons, piston rings, piston pins and engine valves. These products cater to a wide range of vehicle segments such as passenger vehicles, two/three wheelers, commercial vehicles,

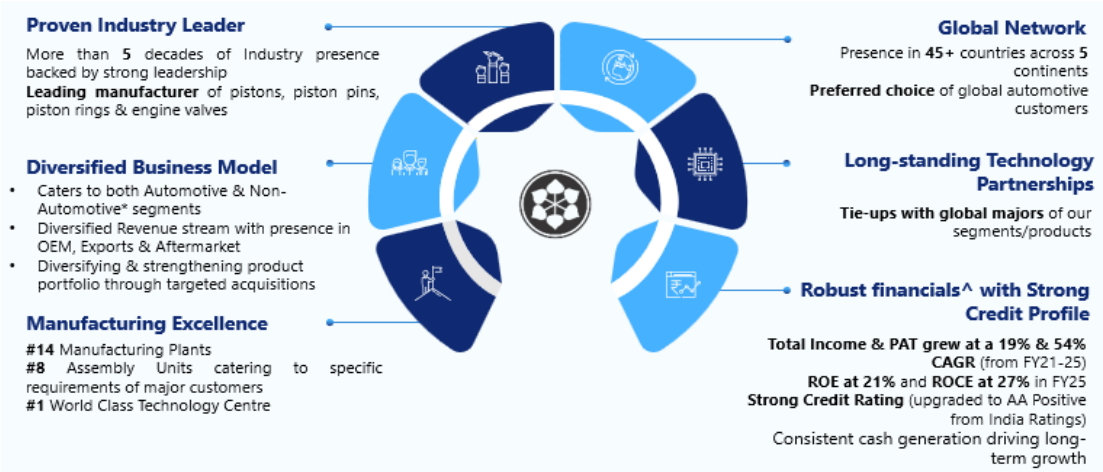
tractors, off-highway vehicles and farm equipment, as well as industrial applications including compressors and gensets. In addition, the Company markets allied automotive components such as cylinder liners, clutch plates, brake pads, filters, gaskets and lubricating oils, enabling it to offer a comprehensive solutions portfolio to its customers.

It operates state-of-the-art manufacturing facilities at Ghaziabad, Uttar Pradesh and Pathredi, Rajasthan, supported by advanced manufacturing, testing and quality systems. SPRL has consistently focused on process upgradation, cost optimisation, quality enhancement and innovation, enabling it to meet stringent performance, emission and durability requirements of OEMs across geographies.

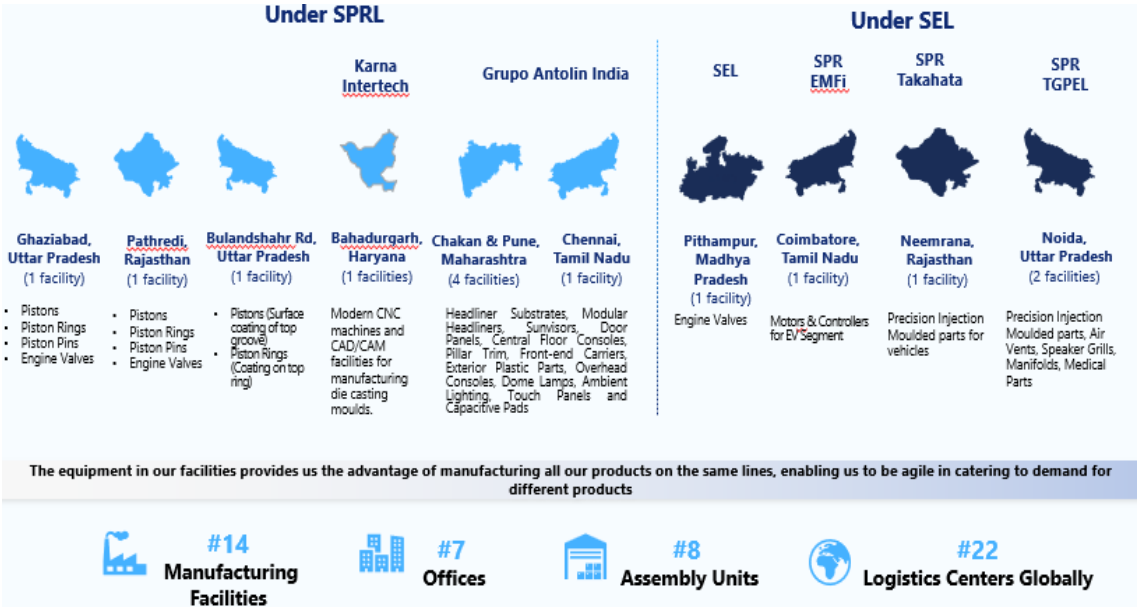
SPRL has a strong export presence, supplying to over 45 countries globally. The Company caters to a diversified base of reputed domestic and international OEMs across India, Europe, the United States and Asia, and is recognised by almost all OEMs in India as a dependable supplier of technologically advanced drivetrain components. SPRL also has a strong presence in the domestic and overseas aftermarket.

SPRL's technology capabilities are supported by long-standing collaborations, spanning over four decades, with leading global automotive technology partners, including Kolbenschmidt Group (Germany) for pistons, Riken Corporation (Japan) for piston rings, Fuji Oozx (Japan) for engine valves and Honda Foundry (Japan) for piston foundry operations. These collaborations provide access to advanced technologies and support continuous product development.

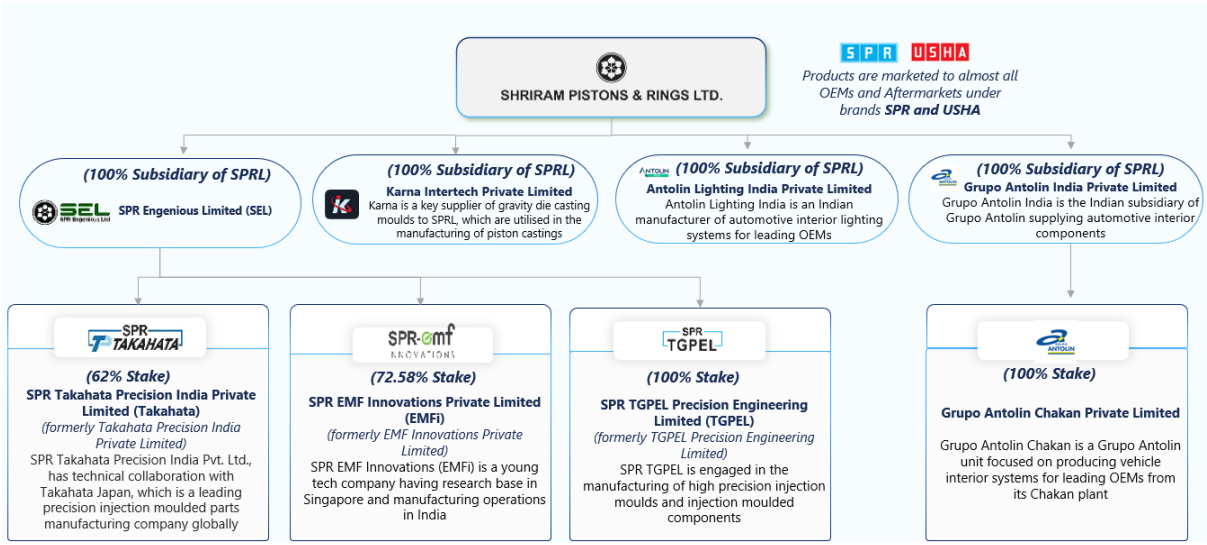
In response to evolving industry dynamics, SPRL has undertaken a calibrated diversification strategy beyond conventional ICE products. Leveraging its core strengths in precision engineering and OEM relationships, the Company has expanded into non-ICE and future-ready segments, including electric vehicle ("EV") drivetrain components such as motors and controllers, precision-engineered injection-moulded parts and automotive Interior and electronic lighting solutions. This diversification is aimed at enhancing long-term business sustainability while maintaining focus on its core competencies. The Issuer's diversified product portfolio, strong customer relationships, global footprint and measured expansion into non-ICE segments position it as a resilient and well-established automotive components manufacturer.



Manufacturing Infrastructure:



4.4 Structure of the Group



4.5 A brief summary of the business activities of the subsidiaries of the Issuer

Wholly-Owned Subsidiaries

(i) SPR Engenious Limited (SEL)

SEL is a wholly-owned subsidiary of SPRL. Established by SPRL to spearhead diversification and innovation, SEL is poised to drive future growth initiatives. The Company, via SEL, completed strategic acquisitions of SPR EMF Innovations Private Limited, SPR Takahata Precision India Private Limited and SPR TGPEL Precision Engineering Limited. SPR Engenious Limited is having its manufacturing plant at Pithampur, Dist. Dhar, Madhya Pradesh, India.

(ii) Antolin Lighting India Private Limited (ALIPL):

ALIPIL was incorporated in 2023 and is engaged in the business of manufacturing and sale of automotive interior lighting and electronic solutions. The company operates a manufacturing facility located in Chakan, Maharashtra. Its product

portfolio includes dome lamps, ambient lighting systems, touch panels, and capacitive pads, which are supplied to various Original Equipment Manufacturers (OEMs) in India.

(iii) **Grupo Antolin India Private Limited (GAIPL)**

GAIPL was incorporated in 1996 and is engaged in the manufacture and sale of automotive interior systems. The company operates manufacturing facilities across Pune, Chennai, Ranjangaon, Bengaluru, Sanand, and Nashik and supplies products such as headliners, sunvisors, grab handles, and substrates to various Original Equipment Manufacturers (OEMs) in India. As a dominant supplier of headliners in the Indian market, GAIPL plays a critical role in strengthening the SPRL's expansion into non-powertrain automotive components, thereby enhancing its industry presence and creating long-term stakeholder value.

(iv) **Karna Intertech Private Limited (Karna)**

Established in 1981, Karna specializes in manufacturing specialty molds and operates a well-equipped tool room in Bahadurgarh, Haryana, featuring advanced CNC machinery and CAD/CAM technology.

Step-Down Subsidiaries

(i) **SPR EMF Innovations Private Limited (SPR EMFI)**

SPR EMFI, is a young Technology company co-founded by engineering entrepreneurs with substantial R&D and manufacturing operations in Coimbatore, Tamil Nadu, and Singapore, thereby localized e-mobility solutions to customers in India and abroad. The Company is the majority shareholder in SPR EMFI through its wholly owned subsidiary, SEL. The Company aims to expand its presence in electric vehicles (EV) space to supply electric powertrain components such as motors and controllers ranging from 250W ~ 350KW covering all vehicle segments from two wheelers, three-wheelers, passenger vehicles, commercial vehicles and buses to both domestic and global clients in the automotive and industrial sectors.

(ii) **SPR Takahata Precision India Private Limited (SPR TPIPL)**

SPR TPIPL, is the leading precision engineering company engaged in the manufacturing of precision moulded/assembled parts and precision metal moulds located at Neemrana, Rajasthan. The Company acquired (through its subsidiary, SEL) a majority stake in SPR Takahata Precision India Private Limited. With this strategic investment, the Company aims to diversify its product portfolio beyond the current Pistons, Rings, Engine Valves, and EV components to precision plastic injection moulded parts. The product range of SPR TPIPL includes Power Window Parts, Wiper Motor Parts, Door Lock Parts, Seat Belt Parts, Junction & Relay Box, Fuel Pump Module, Throttle Sensor, ECU, Steering Part, Head Lamp Unit Assembly, Case Parts, Starter Motor, Steering Parts, Air/C Parts, Brake Unit Assembly and Accelerator Pedal Sensor.

(iii) **SPR TGPEL Precision Engineering Limited (SPR TGPEL)**

SPR TGPEL is a reputed organization in precision tooling and is recognized for manufacturing of precision engineered plastic components in India. It is among the few precision engineering companies providing end-to-end solutions, starting from mould conceptualization and design to produce high-precision plastic injection moulded components and product assembly. Established in 1992 as

Timex Group Company and in 2008 carved off as Timex Group Precision Engineering Limited. Further, in 2023 changed its name to TGPEL Precision Engineering Limited (TGPEL). TGPEL's existing portfolio of precision moulded parts and with metal moulds, assembled parts having a variety of functional products for automotive and other Industrial applications, fits into SEL's strategy of inorganic growth in the areas agnostic to ICE parts while de-risking its current business model.

(iv) **Grupo Antolin Chakan Private Limited (GACPL)**

GACPL was incorporated in 2008 and is engaged in the manufacture and sale of automotive interior solutions. The company operates two manufacturing facilities in Chakan, Maharashtra and manufactures products including door panels, centre floor consoles, pillar trims, front-end carriers, overhead consoles, and other interior and exterior plastic components, which are supplied to various Original Equipment Manufacturers (OEMs) in India.

SPRL has acquired a 100% equity stake in ALIPL, GAIPL & GACPL (through GAIPL) and has entered into a Technology Licensing Agreement with Grupo Antolin, Spain, pursuant to which all three entities shall have access to licensed technologies and it has a Technical Center of Excellence in India for product development and engineering support.

None of the abovementioned group companies are listed on any of the Stock Exchanges in India.

4.6 **Details of branches or units where the Issuer carries on its business activities, if any**

SPRL operates state-of-the-art manufacturing facilities at:

Manufacturing Plants*			
Address	A-4 & A-5, Industrial Area, Meerut Road, Ghaziabad, Uttar Pradesh, 201 003, India	Industrial Area, Bulandshahr Road, Ghaziabad, Uttar Pradesh, 201 009, India	SP-1/892 & 893, RIICO Industrial Area, Pathredi, District Alwar, Rajasthan, 301 707, India

*In addition to the above manufacturing plants, the Company carries out certain business and operational activities through:

(a) six (6) assembly units located at Gurugram, Bhorakalan, Pune, Hosur, Chennai and Karsanpura, India;
(b) six (6) Regional sales Offices located at Delhi, Kolkata, Bangalore, Chennai, Jalandhar and Pune, India; and
(c) four (4) trade godowns located at Jalandhar, Kolkata, Indore and Hosur, India.

Registered Office and Corporate Office	
Address	3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi- 110 001, India

The Company has consistently focused on process upgradation, cost optimisation, quality enhancement, and innovation, enabling it to meet stringent performance, emission, and durability requirements of OEMs across geographies. These facilities are equipped with advanced technology, stringent quality systems, and global best practices, enabling SPRL to consistently deliver products that meet international standards.

4.7 **Use of proceeds (in the order of priority for which the said proceeds will be utilized):**

(a) *Purpose of the placement*:

Please refer to the relevant Key Information Document(s).

(b) *Break-up of the cost of the project for which the money is being raised*:

Please refer to the relevant Key Information Document(s).

(c) *Means of financing for the project*:

Please refer to the relevant Key Information Document(s).

(d) *Proposed deployment status of the proceeds at each stage of the project*:

Please refer to the relevant Key Information Document(s).

4.8 **Expenses of the Issue:**

The expenses for this Issue inter alia include the fees payable to intermediaries, listing fees and any other expense directly related to the Issue.

The Issue expenses and listing fees will be paid by our Company.

The total expenses along with a break-up for each item of expense, including details of the fees payable (in terms of amount, as a percentage of total issue expenses and as a percentage of total issue size), as applicable:

Activity	**Expenses (Rs. in million)**	**As a % of the total estimated Offer expenses**	**As a % of the total Offer size**
Fees payable to the lead managers	Please refer to the relevant Key Information Document(s).		
Underwriting commission			
Brokerage, selling commission and upload fees			
Others:			

Activity	Expenses (Rs. in million)	As a % of the total estimated Offer expenses	As a % of the total Offer size
(i) Fees payable to the Registrar to the issue			
(ii) Fees payable to the legal advisors			
(iii) Advertising and marketing expenses			
(iv) Fees payable to the regulators including Stock Exchange			
(v) Stamp Duty			
(vi) Expenses incurred on printing and distribution of issue stationary			
(vii) Any other fees, commission or payments under whatever nomenclature			
Total Offer expenses			

4.9 **Confirmation pertaining to the use of proceeds of the issue as required under the SEBI NCS Regulations**

(a) *If the proceeds, or any part of the proceeds, of the Issue are or is to be applied directly or indirectly:*

(i) *in the purchase of any business; or*

(ii) *in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith,*

the Company shall become entitled to an interest in either the capital or profits and losses or both, in such business exceeding fifty per cent. thereof, a report made by a chartered accountant (who shall be named in the Issue Document) upon –

(A) the profits or losses of the business for each of the three financial years immediately preceding the date of the issue of the Issue Document; and

(B) the assets and liabilities of the business as on the latest date to which the accounts of the business were made up, being a date not more than one hundred and twenty days before the date of the issue of the Issue Document.

(b) *In purchase or acquisition of any immoveable property including indirect acquisition of immoveable property for which advances have been paid to third parties, disclosures regarding:*

(i) *the names, addresses, descriptions and occupations of the vendors;*

(ii) *the amount paid or payable in cash, to the vendor and where there is more than one vendor, or the Company is a sub-purchaser, the amount*

so paid or payable to each vendor, specifying separately the amount, if any, paid or payable for goodwill;

(iii) *the nature of the title or interest in such property proposed to be acquired by the Company; and*

(iv) *the particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property or any person who is or was at the time of the transaction, a promoter or a director or proposed director of the Company, had any interest, direct or indirect, specifying the date of the transaction and the name of such promoter, director or proposed director and stating the amount payable by or to such vendor, promoter, director or proposed director in respect of the transaction:*

Provided that the disclosures specified in sub-clauses (i) to (iv) above shall be provided for the top five vendors on the basis of value viz. sale consideration payable to the vendors.

Provided further that for the remaining vendors, such details may be provided on an aggregated basis in the Issue Document, specifying number of vendors from whom it is being acquired and the aggregate value being paid; and the detailed disclosures as specified in sub-clauses (i) to (iv) above may be provided by way of static QR code and web link. If the issuer provides the said details in the form of a static QR code and web link, the same shall be provided to the debenture trustee as well and kept available for inspection as specified herein. A checklist item in the 'Security and Covenant Monitoring System' shall also be included for providing the detailed disclosures, as specified in sub-clauses (i) to (iv) above, to the debenture trustee and confirmation of the same by the debenture trustee.

(c) *If:*

(i) *the proceeds, or any part of the proceeds, of the Issue are or are to be applied directly or indirectly and in any manner resulting in the acquisition by the Company of shares in any other body corporate; and*

(ii) *by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate shall become a subsidiary of the Company, a report shall be made by a Chartered Accountant (who shall be named in the Issue Document) upon –*

(A) *the profits or losses of the other body corporate for each of the three financial years immediately preceding the issue of the Issue Document; and*

(B) *the assets and liabilities of the other body corporate as on the latest date to which its accounts were made up.*

(d) *The said report shall:*

(i) *indicate how the profits or losses of the other body corporate dealt with by the report would, in respect of the shares to be acquired, have concerned members of the Company and what allowance would*

have been required to be made, in relation to assets and liabilities so dealt with for the holders of the balance shares, if the Company had at all material times held the shares proposed to be acquired; and

(ii) *where the other body corporate has subsidiaries, deal with the profits or losses and the assets and liabilities of the body corporate and its subsidiaries in the manner as provided in paragraph (c) (ii) above.*

For all information under this Section 4.9, please refer to the relevant Key Information Document(s).

4.10 **Name of the stock exchange where listing of Non-Convertible Securities or Commercial Papers (as applicable) is proposed and the details of in-principle approval for listing from these stock exchange**

Please refer to the relevant Key Information Document(s).

4.11 **Details of Credit Rating along with the latest press release of the Credit Rating Agency in relation to the issue**

The details of the credit rating along with the latest press release for each issue of the Non-Convertible Securities and / or Commercial Papers will be as set out in **Annexure 8** (*Credit Rating Letter and Rating Rationale/ Press Release*) of this General Information Document. The Issuer may further procure credit rating from any other credit rating agency as may be specified in the relevant Key Information Document.

4.12 **Recovery Expense Fund and Settlement Guarantee Fund**

Please refer to the relevant Key Information Document(s).

4.13 **Issue Schedule**

Particulars	**Details**
Issue Opening Date	Please refer to the relevant Key Information Document(s).
Issue Closing Date	Please refer to the relevant Key Information Document(s).
Pay In Date	Please refer to the relevant Key Information Document(s).
Deemed Date of Allotment	Please refer to the relevant Key Information Document(s).
Date of earliest closing	Please refer to the relevant Key Information Document(s).

4.14 **Name and Contact Details of Legal Counsel, Arrangers and Other Parties**

Particulars	**Details**
Legal Counsel	KHAITAN &CO ADVOCATES SINCE 1911 Khaitan & Co One World Centre, 10th, 13th & 14th Floors, Tower 1, 841 Senapati Bapat Marg, Mumbai 400 013 Contact Person: Not applicable Phone: +91 22 66365000 Email: Not applicable Website: https://www.khaitanco.com
Guarantor, if applicable	Please refer to the relevant Key Information Document(s)

Particulars	Details
Arrangers	Please refer to the relevant Key Information Document(s)
Anchor Investor	Please refer to the relevant Key Information Document(s)

SECTION 5: FINANCIAL INFORMATION, MANAGEMENT, CAPITAL STRUCTURE AND OTHER DISCLOSURES

5.1 ***The audited financial statements (i.e. Profit & Loss statement, Balance Sheet and Cash Flow statement) both on a standalone and consolidated basis for a period of 3 (three) completed years which shall not be more than 6 (six) months old from the date of the General Information Document or issue opening date, as applicable. The financial statements are audited and certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India ("ICAI"). The above financial statements are accompanied with the auditor's report along with the requisite schedules, footnotes, summary etc.***

Please refer to **Annexure 2** (*Financial Information*) of this General Information Document for standalone and consolidated audited financial statements along with auditor reports of the Issuer for financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023 along with limited review financial results for the quarter ending December 31, 2025.

5.2 **Key operational and financial parameters (on standalone basis) in respect of the financial information provided under section 5.1 above:**

Particulars	December 31, 2025 (Rs. in million)	September 30, 2025 (Rs. in million)	March 31, 2025 (Rs. in million)	March 31, 2024 (Rs. in million)	March 31, 2023 (Rs. in million)
Balance Sheet					
Property, plant and equipment (including capital work in progress and investment Property)	-	5,135.68	5,310.42	5,328.56	5,420.00
Intangible assets (including intangible assets under development, Goodwill, and ROU)	-	811.88	781.30	839.37	891.50
Financial assets (current and non-current)	-	25,103.54	22,739.61	18,113.10	13,154.00
Other non-current assets	-	238.30	143.44	344.00	271.00
Deferred tax assets	-				
Current assets (including inventories)	-	5,122.85	4,897.18	4,091.34	3,614.70
Total Assets	**-**	**36,412.25**	**33,871.96**	**28,716.36**	**23,351.20**
Financial liabilities (current and					

Particulars	December 31, 2025 (Rs. in million)	September 30, 2025 (Rs. in million)	March 31, 2025 (Rs. in million)	March 31, 2024 (Rs. in million)	March 31, 2023 (Rs. in million)
non-current)					
- Borrowings (including interest)	-	3,686.61	3,558.29	3,408.16	2,901.40
- Other financial liabilities	-	4,729.25	4,971.51	4,591.97	3,940.19
Non-current liabilities (including deferred tax liabilities)	-	219.30	252.59	240.12	225.30
Current liabilities (including current tax liabilities)	-	779.16	513.88	527.24	564.00
Provisions (current & non current)	-	525.59	484.89	450.60	424.80
Total Liabilities	**-**	**9,939.92**	**9,781.16**	**9,218.09**	**8,055.69**
Equity share capital	-	440.50	440.50	440.50	220.25
Instruments entirely equity in nature					
Other equity	-	26,031.84	23,650.35	19,058.07	15,075.30
Total equity and liabilities	**-**	**36,412.25**	**33,872.01**	**28,716.66**	**23,351.24**
Profit and loss					
Total revenue from operations	25,737.30	17,086.08	31,795.09	29,537.18	26,050.26
Other income	823.63	514.80	1,031.98	813.36	462.30
Total income	26,560.93	17,600.88	32,827.07	30,350.54	26,512.56
Total expenses	21,241.31	14,059.79	26,147.21	24,361.91	22,543.16
Profit/ loss for the period	3,788.08	2,637.24	4,978.01	4,467.77	2,955.79
Other comprehensive income	-28.18	-35.41	54.71	65.73	98.06
Total comprehensive income	3,759.90	2,601.83	5,032.72	4,533.51	3,053.85
Earnings per equity share:					
(a) basic; and	86.00	59.87	113.01	101.42	67.10
(b) diluted	86.00	59.87	113.01	101.42	67.10
Cash flow					
Net cash (used in)/ generated	-	2,577.88	4,193.91	4,742.21	3,991.50

Particulars	December 31, 2025 (Rs. in million)	September 30, 2025 (Rs. in million)	March 31, 2025 (Rs. in million)	March 31, 2024 (Rs. in million)	March 31, 2023 (Rs. in million)
from operating activities (A)					
Net cash (used in)/ generated from investing activities (B)	-	-2,351.19	-3,648.05	-4,596.00	-4,865.16
Net cash (used in)/ generated from financing activities (C)	-	-249.72	-574.45	-124.97	973.89
Net increase/ (decrease) in cash and cash equivalents	-	-23.03	-28.60	21.24	100.23
Opening balance of cash and cash equivalents	-	277.91	306.57	285.38	185.18
Cash and cash equivalents at end of the period	-	254.88	277.97	306.62	285.41

***Note**: The financial figures for Balance Sheet and Cash flow are available for the period ended September 30, 2025.*

5.3 **Key operational and financial parameters (on consolidated basis) in respect of the financial information provided under section 5.1 above:**

Particulars	December 31, 2025 (Rs. in million)	September 30, 2025 (Rs. in million)	March 31, 2025 (Rs. in million)	March 31, 2024 (Rs. in million)	March 31, 2023 (Rs. In million)
Balance Sheet					
Property, plant and equipment (including capital work in progress and investment property)	-	8,463.84	8,284.72	7,106.01	5,479.37
Intangible assets (including intangible assets under development, Goodwill, and ROU)	-	4,319.48	4,325.83	2,548.19	2,289.32
Financial assets (current and non-current)	-	20,885.32	18,676.48	16,597.57	12,346.51

Particulars	December 31, 2025 (Rs. in million)	September 30, 2025 (Rs. in million)	March 31, 2025 (Rs. in million)	March 31, 2024 (Rs. in million)	March 31, 2023 (Rs. In million)
Other non-current assets	-	345.02	272.69	464.62	273.27
Deferred tax assets	-	28.24	64.34	25.75	22.34
Current assets (including inventories and current tax assets)	-	6,250.81	5,665.32	4,640.35	3,730.33
Total Assets	**-**	**40,292.70**	**37,289.38**	**31,382.49**	**24,141.14**
Financial liabilities (current and non-current)					
- Borrowings (including interest)	-	5,038.22	4,782.18	4,549.14	2,988.66
- Other financial liabilities	-	5,604.72	5,696.67	5,145.74	4,077.23
Non-current liabilities (including deferred tax liabilities)	-	565.91	603.73	373.27	307.08
Current liabilities (including current tax liabilities)	-	978.48	672.44	635.86	619.00
Provisions (current & non current)	-	615.86	561.30	472.84	424.83
Total Liabilities	**-**	**12,803.18**	**12,316.34**	**11,176.85**	**8,416.80**
Equity share capital	-	440.50	440.50	440.50	220.25
Instruments entirely equity in nature (Including Non-controlling interest)	-	1,116.73	1,036.50	948.73	449.81
Other equity	-	25,933.64	23,496.13	18,816.28	15,054.40
Total Equity and Liabilities	**-**	**40,294.06**	**37,289.47**	**31,382.36**	**24,141.26**
Profit and Loss					
Total revenue from operations	30,029.38	19,797.74	35,498.33	30,893.26	26,093.28
Other income	876.27	545.50	1,113.99	852.71	466.63

Particulars	December 31, 2025 (Rs. in million)	September 30, 2025 (Rs. in million)	March 31, 2025 (Rs. in million)	March 31, 2024 (Rs. in million)	March 31, 2023 (Rs. In million)
Total income	30,905.64	20,343.24	36,612.32	31,745.97	26,559.92
Total expenses	25,209.04	16,589.93	29,795.67	25,854.66	22,629.73
Profit / loss for the period	4,025.20	2,769.55	5,155.57	4,386.64	2,938.78
Other comprehensive income	-23.15	-32.28	52.56	65.13	98.06
Total comprehensive income	4,002.05	2,737.27	5,208.13	4,451.76	3,036.84
Earnings per equity share:					
(a) basic; and	90.01	62.11	115.02	100.47	66.62
(b) diluted	90.01	62.11	115.02	100.47	66.62
Cash flow					
Net cash (used in)/ generated from operating activities (A)	-	2,736.00	4,343.67	4,867.27	3,951.78
Net cash (used in) / generated from investing activities (B)	-	-2,566.44	-3,847.41	-4,215.95	-4,761.57
Net cash (used in)/ generated from financing activities (C)	-	-192.85	-610.44	-421.63	929.68
Net increase/ (decrease) in cash and cash equivalents	-	-23.29	-114.18	229.69	119.89
Opening balance of cash and cash equivalents	-	420.74	534.92	305.15	185.22
Cash and cash equivalents at end of the period	-	397.45	420.74	534.83	305.11
Additional information (on consolidated basis)					
Net worth (including Non - controlling interest)	-	27,490.88	24,973.13	20,205.51	15,724.41
Cash and cash equivalents	-	10,060.43	10,515.95	8,619.72	6,468.91
Current investments	-	1,957.57	263.20	1,097.39	674.97
Net Sales	-	19,797.74	35,498.33	30,893.26	26,093.28

Particulars	December 31, 2025 (Rs. in million)	September 30, 2025 (Rs. in million)	March 31, 2025 (Rs. in million)	March 31, 2024 (Rs. in million)	March 31, 2023 (Rs. In million)
(Revenue from operations)					
Earnings before interest, taxes, depreciation, and amortization	-	4,569.61	8,356.87	7,272.97	5,070.22
Earnings before interest and taxes	-	3,928.98	7,160.07	6,195.88	4,123.09
Dividend amounts	-	220.25	440.50	330.37	308.35
Debt equity ratio (in times)	-	0.18	0.19	0.23	0.19
Debt service coverage ratio (in times)	-	8.18	9.00	8.87	20.53
Interest service coverage ratio (in times)	-	26.08	24.33	23.88	26.28
Current ratio (in times)	-	2.52	2.48	2.43	2.51
Long term debt to working capital (in times)	-	0.38	0.19	0.24	0.22
Current liability ratio – current liabilities/ non-current liabilities (in times)	-	3.24	2.97	2.57	2.47
Total debts to total assets (in times)	-	0.13	0.13	0.14	0.12

Note: *The financial figures for Balance Sheet and Cash flow are available for the period ended September 30, 2025.*

5.4 **Details of any other contingent liabilities of the Issuer based on the latest audited financial statements including amount and nature of liability:**

Please refer to F679 of Annexure 2 (*Financial Information*) of the General Information Document for the details of contingent liabilities of the Issuer on the latest audited financial statements as on March 31, 2025.

5.5 **The amount of corporate guarantee or letter of comfort issued by the issuer along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued:**

Name of the step down subsidiary	Name of the bank	Amount of loan taken by the Step down subsidiary (in INR Million)	Amount of corporate guarantee (in INR Million)	Amount of loan outstanding as on December 31, 2025 (in INR Million)	Amount of corporate guarantee outstanding as at December 31, 2025 (in INR Million)
SPR Takahata Precision India Private Limited	HDFC Bank Limited	1100	1100	794	794

5.6 **A brief history of Issuer since its incorporation giving details of its following activities**:

(a) **Details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.**

Please refer to **Annexure 5** (*Details of existing share capital of the Issuer*) of this General Information Document.

(b) **Number and price at which each of the allotments were made in the last one year preceding the date of the private placement offer cum application letter**

Please refer to **Annexure 5** (*Details of the existing share capital of the Issuer*) of this General Information Document.

(c) **Details of Share Capital as at last quarter end i.e. December 31, 2025**:

Share Capital	Amount (in Rs.)
Authorised Share Capital	
5,25,00,000 Equity Shares of Face Value of Rs. 10/- each aggregating to Rs. 52,50,00,000; and 30,00,000 Preference Shares of Face Value of Rs. 100/- each aggregating to Rs. 30,00,00,000	82,50,00,000
Total	**82,50,00,000**
Issued, Subscribed and Paid-up Share Capital	
4,40,49,824 Equity shares of Face Value of Rs. 10/- each	44,04,98,240
Total	**44,04,98,240**

(d) **Changes in its capital structure as at last quarter end, for the preceding 3 (three) financial years and current financial year as on December 31, 2025**:

Date of Board Meeting	Date of change (annual general meeting /extraordinary general meeting)	Particulars
June 13, 2023	Annual General Meeting - July 6, 2023	Issuance of Bonus Shares (1:1)

(e) Details of the Equity Share Capital of the Company as at the last quarter end, for the preceding 3 (three) financial years and current financial year, as on December 31, 2025

Date of Allotment	No. of Equity Shares	Face Value (in Rs.)	Issue Price (in Rs.)	Consideration (Cash, Other than Cash etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (in Rs.)	Equity Share Premium	
July 28, 2023	2,20,24,912	10/-	10/-	-	Bonus in the ratio 1:1	4,40,49,824	44,04,98,240	-	-

(f) **Details of any acquisition or amalgamation with any entity in the preceding 1 (one) year**:

During the financial year 2024-25:

The Company acquired 100% equity stake in SPR TGPEL Precision Engineering Limited on December 24, 2024 through SPR Engenious Limited {a wholly owned subsidiary of Shriram Pistons & Rings Limited}.

During the current financial year 2025-26 (till date):

(a) The Company acquired 100% equity stake in Karna Intertech Private Limited on April 1, 2025, and accordingly, Karna became a wholly owned subsidiary of the Company.

(b) The Company acquired 100 % stake in Antolin Lighting India Private Limited (ALIPL) and Grupo Antolin India Private Limited (GAIPL), and ~99.99 % in Grupo Antolin Chakan Private Limited (GACPL), a subsidiary of GAIPL, on January 8, 2026, for more details, please refer to Section 4.5

(Refer 4.5 *A brief summary of the business activities of the subsidiaries of the Issuer* of this General Information Document.

(g) **Details of any reorganization or reconstruction in the preceding 1 (one) year**:

Type of Event	Date of Announcement	Date of Completion	Details
Not applicable			

(h) **Details of the shareholding of the Company as at the latest quarter end i.e.**

December 31, 2025, as per the format specified under the listing regulations: Please see **Annexure 1** (*Shareholding Pattern of the Company as on December 31, 2025*) of this General Information Document.

(i) **List of top 10 (ten) holders of equity shares of the Company as on the latest quarter end (as on December 31, 2025)**:

Sr. No.	Name of the shareholders	Category	Total No of Equity Shares	No of shares in demat form	Total Shareholding as % of total no of equity shares
1.	Trustee - Mr. Luv D. Shriram and Trustee - Ms. Meenakshi Dass of Deepak Shriram Family Benefit Trust	Promoters#	1,20,14,724*	1,20,14,724*	27.28
2.	Sarva Commercial Private Limited	Promoters#	21,33,160	21,33,160	4.84
3.	Sera Com Private Limited	Promoters#	19,00,794	19,00,794	4.32
4.	Ms. Meenakshi Dass	Promoters#	16,69,440	16,69,440	3.79
5.	Manisha Commercial Private Limited	Promoters#	13,35,958	13,35,958	3.03
6.	Riken Corporation	Overseas Corporate Bodies	93,84,114	93,84,114	21.30
7.	National Insurance Company Ltd.	Insurance Companies	13,36,206	13,36,206	3.03
8.	DSP Small Cap Fund	Mutual Funds	10,81,165	10,81,165	2.45
9.	Theleme India Master Fund Limited	Foreign Portfolio Investors Category 1	8,26,882	8,26,882	1.87
10	AL Mehwar Commercial Investments L.L.C. - (Noosa)	Foreign Portfolio Investors Category 1	7,65,562	7,65,562	1.73

Notes: 1. #Total Promoters shareholding of the issuer is 43.75% (1,92,73,106 equity shares).
*2. *Mr. Luv D. Shriram holds 60,07,362 equity shares and Ms. Meenakshi Dass holds 60,07,362 equity shares as Trustee of Deepak Shriram Family Benefit Trust.*

5.7 **Following details regarding the Directors of the Company**:

(a) **Details of current directors of the Company as on the date of this General Information Document**:

Name, Designation, Occupation and DIN	Age (years)	Address	Date of appointment	Details of other directorship
Name: Mr. Pradeep Dinodia **Designation**: Chairman & Non-Executive Director **DIN**: 00027995 **Occupation:** Practicing Chartered Accountant	72	A-9A, Maharani Bagh, New Delhi - 110065	May 16, 2003	1. Hero Motocorp Limited 2. DCM Shriram Limited 3. Hero Fincorp Limited 4. S R Dinodia & Co. LLP (Designated Partner) 5. Antolin Lighting India Private Limited 6. Grupo Antolin India Private Limited 7. Grupo Antolin Chakan Private Limited
Name: Mr. Krishnakumar Srinivasan **Designation**: Managing Director & CEO **DIN**: 00692717 **Occupation:** Service	59	VB-24 Block -E, Primanti Garden Estate, Sector -72, Gurgaon, Haryana 122101	February 11, 2020	1. SPR Takahata Precision India Private Limited 2. SPR EMF Innovations Private Limited 3. SPR Engenious Limited 4. SPR TGPEL Precision Engineering Limited 5. Karna Intertech Private Limited 6. Antolin Lighting India Private Limited 7. Grupo Antolin India Private Limited 8. Grupo Antolin Chakan Private Limited
Name: Mr. Luv D. Shriram	53	26 C S.P. Marg, New Delhi – 110 021	April 1, 2009	1. Manisha Commercial Private Limited 2. Sera Com

Name, Designation, Occupation and DIN	Age (years)	Address	Date of appointment	Details of other directorship
Designation: Whole-time Director **DIN**: 00051065 **Occupation:** Business				Private Limited 3. Kiki Farms Private Limited 4. Sarva Commercial Private Limited 5. Shabnam Commercial Private Limited 6. Shriram Marketing Private Limited 7. Itara Prints Private Limited 8. SPR Engenious Limited 9. Antolin Lighting India Private Limited 10. Grupo Antolin India Private Limited 11. Grupo Antolin Chakan Private Limited
Name: Mr. Hari Shanker Bhartia **Designation**: Non-Executive Independent Director **DIN**: 00010499 **Occupation:** Business	69	2, Amrita Shergill Marg, New Delhi - 110003	March 31, 2020	1. Jubilant Pharmova Limited 2. Jubilant Ingrevia Limited 3. Jubilant Foodworks Limited 4. Jaytee Private Limited 5. KHB Trustee Company Private Limited 6. HS Trustee Company Private Limited 7. HKB Trustee Company Private Limited 8. HSB Trustee Company Private Limited 9. Jubilant Enpro Private Limited 10. Jubilant Securities Private

Name, Designation, Occupation and DIN	Age (years)	Address	Date of appointment	Details of other directorship
				Limited 11. Global Health Limited 12. Jubilant Bhartia Foundation 13. CSEP Research Foundation 14. KH Advisors LLP 15. HSBKB Advisors LLP 16. KBHSB Advisors LLP 17. KBHB Advisors LLP 18. Jubiliant Therapeutics Inc. USA 19. Hindustan Coca-Cola Beverages Private Limited 20. Hindustan Coca Cola Holdings Private Limited 21. Meesho Limited
Name: Ms. Ferida Avnish Chopra **Designation**: Non-Executive Independent Director **DIN**: 08415847 **Occupation:** Practicing Counsel	69	232, Jor Bagh, New Delhi-110 003	March 30, 2019	1. SPR EMF Innovations Private Limited 2. SPR Takahata Precision India Private Limited 3. SPR TGPEL Precision Engineering Limited 4. SPR Engenious Limited
Name: Ms. Tina Trikha **Designation:** Non-Executive Independent Director **DIN:** 02778940 **Occupation:** Professional	50	Arabian Ranches 1, Saheel, Street 5, Villa 1, Dubai. UAE. PO Box 900210	May 13, 2024	1. Oberoi Realty Limited 2. Hero Motocorp Limited 3. C.E. Info Systems Limited 4. SCP India Advisors LLP 5. Grupo Antolin India Private Limited

Name, Designation, Occupation and DIN	Age (years)	Address	Date of appointment	Details of other directorship
Name: Mr. Akihiro Ozaki **Designation:** Non-Executive Independent Director **DIN:** 11152072 **Occupation:** Service	58	2370-11 Hansei Kikugawa Shizuoka 439-0019 Japan	June 12, 2025	NIL
Name: Ms. Meenakshi Dass **Designation:** Non-Executive Director **DIN:** 00524865 **Occupation:** Business	61	27D, APJ Abdul Kalam Road, New Delhi	March 28, 2009	1. PLS Construction Equipment Limited 2. Manisha Commercial Private Limited 3. SPR Engenious Limited 4. Sera Com Private Limited 5. Pearey Lall & Sons (E.P.) Private Limited 6. Wylie Indicators Limited 7. Sarva Commercial Private Limited 8. Shabnam Commercial Private Limited 9. Heritage Desk Solutions Private Limited 10. Antolin Lighting India Private Limited 11. Grupo Antolin India Private Limited 12. Grupo Antolin Chakan Private Limited
Name: Mr. Yasunori Maekawa **Designation:** Non-Executive Director	67	5-2-7, Miyamae, Suginami-Ku, Tokyo	May 13, 2024	NIL

Name, Designation, Occupation and DIN	Age (years)	Address	Date of appointment	Details of other directorship
DIN: 06952173 **Occupation:** Service				
Name: Mr. Klaus Semke **Designation:** Non-Executive Director **DIN:** 10133032 **Occupation:** Service	61	51519 Odenthal, Buschweg, 51 Germany	May 1, 2023	NIL
Name: Mr. Shigeto Muno **Designation:** Alternate Director to Mr. Yasunori Maekawa **DIN:** 10666395 **Occupation:** Service	55	402 Chantez-Miki, 14-3 Hiroshiba, Suita-city, Osaka, 564-0052, Japan	June 12, 2024	NIL

(b) **Brief particulars of the management of the Company.**

(i) **Details of board of directors of the Company & their profile**

Photograph of Director	Details of Directors
	Mr. Pradeep Dinodia ***Chairman (Non-Executive, Non Independent Director)*** Mr. Dinodia has been on the Board of the Company since May 2003. He graduated in Economics with Honours from St. Stephens College, Delhi University and also obtained his Law Degree from the same University. He is a Fellow Member of the Institute of Chartered Accountants of India and Chairman and Managing Partner of the Delhi based Chartered Accountancy firm M/s. S.R. Dinodia & Co. LLP. A co-author of the book, 'Transfer Pricing Demystified', Mr. Dinodia is a much sought after voice in the field of taxation, finance and corporate governance.

Photograph of Director	Details of Directors
	Mr. Krishnakumar Srinivasan ***Managing Director & Chief Executive Officer*** Mr. Krishnakumar Srinivasan is an accomplished leader with over 38 years of experience primarily in the automotive industry. He graduated with a Bachelor's degree in Mechanical Engineering, Master's in Business Administration and PG Diploma in Export Management. He has long and varied experience of managing leadership roles with companies both in India and abroad. He is known for his visionary leadership style, combining a strategic mindset with hands on approach.
	Mr. Luv Deepak Shriram ***Whole time Director (Promoter Category)*** Mr. Shriram has been on the Board of the Company since April 2009 and belongs to the promoter category. He obtained a bachelor's degree in commerce from Shriram College of Commerce, University of Delhi. He is an Industrialist with extensive expertise in management and finance.
	Ms. Meenakshi Dass ***Non- Executive Director (Promoter Category)*** Ms. Dass has been on the Board of the Company since March 2009 and belongs to the Promoter Category. She obtained a Degree in Textile Designing. She has vast experience in managing Company's affairs.
	Mr. Hari Shanker Bhartia **Non-Executive Independent Director** Mr. Hari S. Bhartia, is the Founder and Co-Chairman of Jubilant Bhartia Group. He has been on the Board of the Company since January 2009. He is a Chemical Engineering Graduate from the Indian Institute of Technology (IIT), Delhi. With over four decades of experience, Mr. Bhartia is a thought leader in his chosen areas of diverse businesses which include Pharmaceuticals, Contract Research and Development Services, Proprietary Novel Drugs, Life Science Ingredients, Agri Products, Performance Polymers, Food Service (QSR), Food, Auto,

Photograph of Director	Details of Directors
	Consulting in Aerospace and Oilfield Services. He is currently Chairman of Board of Governors, Indian Institute of Management, Visakhapatnam and Chairman of CII-Jubilant Food & Agriculture Centre of Excellence. He was Former President of the Confederation of Indian Industry (CII). He is also a member of India-USA CEO forum and India–France CEO forum.
	Ms. Ferida Avnish Chopra **Non-Executive Independent Director** Ms. Chopra has been on the Board of the Company since March 2019. She graduated in Law from University of Delhi and also obtained Bachelor's Degree in Arts from Delhi University. She is practicing as an Independent Legal Counsel in Supreme Court of India, High Court of Delhi, Competition Commission of India and various other Tribunals.
	Ms. Tina Trikha **Non-Executive Independent Director** Ms. Tina Trikha holds a bachelor's degree in economics from Massachusetts Institute of Technology and a Master's degree in Business Management from the Wharton School of Business. She has over two decades of experience working with companies in the United States, India, and South-East Asia. A published author and an executive coach, she has long and varied experience in strategy development (Growth and Innovation), financial analysis, governance, transformation management, leadership, and Executive Coaching across industries & geographies.
	Mr. Akihiro Ozaki **Non-Executive Independent Director** Mr. Akihiro Ozaki was appointed as Independent Director in June 2025. He is the Executive Officer at Fuji Oozx, Japan and has a long & varied professional experience with technical knowledge of the auto components industry, as well as knowledge of general management and a considerable exposure to international operations.

Photograph of Director	Details of Directors
	Mr. Shinichi Unno does not hold any directorship position in other companies or body corporates
	Mr. Yasunori Maekawa ***Non- Executive Director*** Mr. Yasunori Maekawa has been on the Board of the Company since April 2022 as alternate director. Mr. Maekawa is the Representative Director, President, CEO and COO of Riken Corporation, Japan. Mr. Maekawa has long & varied experience and considerable exposure to international operations. Mr. Yasunori Maekawa does not hold any directorship position in other companies or body corporates.
	Mr. Klaus Semke ***Non- Executive Director*** Mr. Semke has been on the Board of the Company since May 2023. He has obtained Metal Aircraft Builder Training and Graduated with Mechanical Engineering Studies at the Hamburg University of Applied Sciences in Hamburg, Germany. He is the Managing Director & CEO at KS Kolbenschmidt Pistons Germany GmbH. Mr. Semke has a long & varied experience and considerable exposure to international operations. Mr. Klaus Semke does not hold any directorship position in other companies or body corporates.
	Mr. Shigeto Muno ***Alternate Director to Mr. Yasunori Maekawa*** Mr. Shigeto Muno has been on the Board of the Company since June 2024 as alternate director. He is Deputy Senior General Manager of Sales Head Office of Riken Corporation, Japan. Mr. Muno has long & varied experience and considerable exposure to international operations. Mr. Shigeto Muno does not hold any directorship position in other companies or body corporates.

Photograph of Director	Details of Directors

(ii) **Details of key management personnel of the Company and their profiles**

Sr. No.	Name	Age (years)	Designation
1.	Mr. Krishnakumar Srinivasan	59	Managing Director & CEO
2.	Mr. Luv Deepak Shriram	53	Whole-Time Director
3.	Mr. Prem Prakash Rathi	51	Chief Financial Officer
4.	Mr. Pankaj Gupta	53	Company Secretary & Compliance Officer

Details of profiles of our key managerial personnel:

Mr. Krishnakumar Srinivasan

Mr. Krishnakumar Srinivasan is an accomplished leader with over 38 years of experience primarily in the automotive industry. He graduated with a Bachelor's degree in Mechanical Engineering, Master's in Business Administration and PG Diploma in Export Management. He has long and varied experience of managing leadership roles with companies both in India and abroad. He is known for his visionary leadership style, combining a strategic mindset with hands on approach.

Mr. Luv D. Shriram

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

Mr. Prem Prakash Rathi

Mr. Prem Prakash Rathi is the Chief Financial Officer of the Company, having been associated with the organization since January 8, 2021. He holds a Bachelor's degree in Commerce and is a qualified Chartered Accountant. He also serves as the Chief Financial Officer of SPR Engenious Limited (wholly owned subsidiary of Shriram Pistons & Rings Limited/Company) and brings with him extensive and diverse experience in the automotive industry.

Mr. Pankaj Gupta

Mr. Pankaj Gupta is Head Legal & Company Secretary of the Company. He has been associated with the Company since August 9, 2021. He graduated in Bachelor of Law & Legislature and is a Company Secretary. He also serves as the Company Secretary of SPR Engenious Limited (wholly owned subsidiary of Shriram Pistons & Rings Limited/Company) and has long & varied experience of working in Legal & Secretarial functions.

(c) **Details of change in directors in the preceding 3 (three) financial years and current financial year as on the date of this General Information Document:**

Name, Designation and DIN	Date of Appointment	Date of Cessation, if applicable	Date of resignation, if applicable	Remarks
FY 2025-26 (till the date of this Disclosure Document)				
Mr. Shinichi Unno Non-Executive Independent Director (DIN: 09189521)	-	-	7.5.2025	-
Mr. Akihiro Ozaki Non-Executive Independent Director (DIN: 11152072)	12.6.2025	-	-	-
FY 2024-25				
Mr. Luv Deepak Shriram Whole-time Director (DIN: 00051065)	Re-appointed w.e.f 5.5.2024	-	-	-
Ms. Tina Trikha Non-Executive Independent Director (DIN: 02778940)	13.5.2024	-	-	-
Mr. Yasunori Maekawa Non-Executive Director (DIN: 06952173)	13.5.2024	-	-	-
Mr. Shigeto Muno (Alternate Director to Mr. Yasunori Maekawa) (DIN: 10666395)	12.6.2024	-	-	-
Mr. Inderdeep Singh Non-Executive Independent Director (DIN: 00173538)	-	28.7.2024	-	-

Name, Designation and DIN	Date of Appointment	Date of Cessation, if applicable	Date of resignation, if applicable	Remarks
Mr. Shinichi Unno Non-Executive Independent Director (DIN: 09189521)	29.7.2024	-	-	-
Mr. Krishnakumar Srinivasan Managing Director & CEO (DIN: 00692717)	Re-appointed w.e.f. 11.2.2025	-	-	-
Mr. Hari Shanker Bhartia Non-Executive Independent Director (DIN: 00010499)	Re-appointed w.e.f. 31.3.2025	-	-	-
Mr. Alexandru Vladoi Alternate Director to Mr. Klaus Semke (DIN:10381503)	-	-	31.3.2025	-
FY 2023-24				
Mr. Sascha Putz Non-Executive Director (DIN: 08645364)	-	-	30.4.2023	-
Mr. Klaus Semke Non-Executive Director (DIN: 10133032)	1.5.2023	-	-	-
Mr. Sascha Putz Alternate Director (DIN: 08645364)	1.5.2023	-	-	-
Mr. Sascha Putz	-		28.7.2023	-

Name, Designation and DIN	Date of Appointment	Date of Cessation, if applicable	Date of resignation, if applicable	Remarks
Alternate Director to Mr. Klaus Semke (DIN: 08645364)				
Mr. Alexandru Vladoi Alternate Director to Mr. Klaus Semke (DIN: 10381503)	6.11.2023	-	-	-
Mr. Alok Ranjan Non-Executive Independent Director (DIN: 08254398)	-	29.3.2024 (completion of tenure)	-	-
Mr. Masaaki Yamaguchi Non-Executive Director (DIN: 07106759)	-	-	31.3.2024	-
Ms. Ferida Avnish Chopra Non-Executive Independent Director (DIN: 08415847)	Re-appointed w.e.f. 30.3.2024	-	-	-
FY 2022-23				
Mr. Yukio Tanemura Non-Executive Director (DIN: 08531888)	-	-	5.4.2022	-
Mr. Kaoru Ito Alternate Director (DIN: 08505822)	-	5.4.2022	-	-
Mr. Masaaki Yamaguchi Non-Executive Director (DIN: 07106759)	6.4.2022	-	-	-

Name, Designation and DIN	Date of Appointment	Date of Cessation, if applicable	Date of resignation, if applicable	Remarks
Mr. Yasunori Maekawa Alternate Director (DIN: 06952173)	6.4.2022	-	-	-
Mr. Sascha Putz Non-Executive Director (DIN: 08645364)	-	-	30.4.2023	-
Mr. Klaus Semke Non-Executive Director (DIN: 10133032)	1.5.2023	-	-	-
Mr. Sascha Putz Alternate Director (DIN: 08645364)	1.5.2023	-	-	-
Mr. Naveen Agarwal Alternate Company Secretary	-	28.2.2023 (Superannuated)	-	-

5.8 **Details of directors' remuneration and such particulars of the nature and extent of their interests in the issuer (during the current year as on December 31, 2025 and preceding three financial years)**:

Sr. No.	Particulars
(i)	***Remuneration payable or paid to a director by the Issuer, its subsidiary or associate company as may be applicable;***
	Remuneration paid by the Company <u>Remuneration paid by the Company to the Executive Directors (EDs)</u>

Name of Directors	December 31, 2025 (in Rs million) Refer Note*	March 31, 2025 (in Rs million)	March 31, 2024 (in Rs million)	March 31, 2023 (in Rs million)
Mr. Luv Deepak Shriram (Whole-time Director)	17.86	75.38	69.52	52.25

Sr. No.	Particulars

Mr. Krishnakumar Srinivasan (Managing Director & CEO)	57.76	106.01	88.63	69.26

*Note: *Remuneration paid to EDs comprises of Fixed and Variable Pay. For the period ended December 31, 2025, we have considered only the fixed pay for the EDs and Variable Pay i.e. Profile based commission, if any, shall be determined and paid only upon finalisation of profits for the financial year 2025–26.*

Remuneration paid by the Company to the Non-Executive Non-Independent Directors – Remuneration by way of Commission

Name of Directors	December 31, 2025 (in Rs million)	March 31, 2025 (in Rs million)	March 31, 2024 (in Rs million)	March 31, 2023 (in Rs million)
Mr. Pradeep Dinodia	Refer Note*	45.32	41.32	29.87
Ms. Meenakshi Dass		4.40	4.00	3.00
Mr. Klaus Semke		3.70	4.00	NA
Mr. Yasunori Maekawa		3.00	1.01	0.50
Mr. Shigeto Muno (Alternate Director to Mr. Yasunori Maekawa)		1.50	NA	NA
Mr. Masaaki Yamaguchi		NA	1.01	1.00
Mr. Sascha Putz		NA	NA	1.50

*Note: *Commission to the Directors, if any, shall be determined and paid only upon finalisation of profits for the financial year 2025–26.*

Remuneration paid by the Company to the Non-Executive Independent Directors - Remuneration by way of Commission

Name of Directors	December 31, 2025 (in Rs million)	March 31, 2025 (in Rs million)	March 31, 2024 (in Rs million)	March 31, 2023 (in Rs million)
Ms. Ferida Avnish Chopra	Refer note*	5.00	4.00	3.00
Mr. Hari Shanker Bhartia		1.00	1.01	0.75
Mr. Shinichi Unno		3.70	1.01	1.50
Mr. Inderdeep Singh		1.00	4.00	3.00
Ms. Tina Trikha		5.00	NA	NA
Mr. Alok Ranjan		NA	4.00	3.00

*Note: *Commission to the Directors, if any, shall be determined and paid only upon finalisation of profits for the financial year 2025–26.*

Remuneration paid by the subsidiaries: By way of Sitting Fees

Name of the Subsidiary	SPR Engenious Limited - Wholly owned subsidiary			
Name of Directors	**December 31, 2025 (in Rs million)**	**March 31, 2025 (in Rs million)**	**March 31, 2024 (in Rs million)**	**March 31, 2023 (in Rs million)**

Sr. No.	Particulars

Ms. Ferida Avnish Chopra	0.025	NA	NA	NA

Name of the Subsidiary	**SPR EMF Innovations Private Limited (Step- down subsidiary)**			
Name of Directors	**December 31, 2025 (in Rs million)**	**March 31, 2025 (in Rs million)**	**March 31, 2024 (in Rs million)**	**March 31, 2023 (in Rs million)**
Ms. Ferida Avnish Chopra	0.25	0.275	0.075	NA
Mr. Alok Ranjan	0.25	0.275	0.075	NA

Name of the Subsidiary	**SPR Takahata Precision India Private Limited (Step- down subsidiary)**			
Name of Directors	**December 31, 2025 (in Rs million)**	**March 31, 2025 (in Rs million)**	**March 31, 2024 (in Rs million)**	**March 31, 2023 (in Rs million)**
Ms. Ferida Avnish Chopra	0.175	0.275	0.075	NA
Mr. Alok Ranjan	0.175	0.275	0.075	NA

Name of the Subsidiary	**SPR TGPEL Precision Engineering Limited (Step- down Subsidiary)**			
Name of Directors	**December 31, 2025 (in Rs million)**	**March 31, 2025 (in Rs million)**	**March 31, 2024 (in Rs million)**	**March 31, 2023 (in Rs million)**
Ms. Ferida Avnish Chopra	0.20	0.15	NA	NA
Mr. Alok Ranjan	0.20	0.15	NA	NA

Note: In case of subsidiaries, sitting fees has been paid to Independent Directors for attending Board & Committee Meetings of subsidiaries

Remuneration paid by the associate companies: As on the date of this General Information Document, the Issuer does not have any associate companies.

(ii) **Shareholding of the directors in the Company, its subsidiaries and associate companies on a fully diluted basis.**

Company: Shriram Pistons & Rings Limited

Name of director	Shares in Issuer Company (on fully diluted basis)	% of total shareholding
Mr. Luv Deepak Shriram	10,900	0.024
Ms. Meenakshi Dass	16,69,440	3.79

- *Mr. Luv Deepak Shriram and Ms. Meenakshi Dass, jointly, holds 1,20,14,724 equity shares as Trustees of Deepak Shriram Family Benefit Trust; and*
- *Mr. Luv Deepak Shriram along with Mr. Kush D. Shriram, jointly holds 4 equity shares as trustees of NAK Benefit Trust.*

Subsidiary 1: SPR Engenious Limited

Sr. No.	Particulars

Name of director	Shares in Issuer Company (on fully diluted basis)	% of total shareholding
Mr. Pradeep Dinodia	1*	NIL
Mr. Luv Deepak Shriram	1*	NIL
Ms. Meenakshi Dass	1*	NIL
Mr. Krishnakumar Srinivasan	1*	NIL

*1 Equity Share as Nominee of SPRL

Subsidiary 2: Antolin Lighting India Private Limited (ALIPL)

Name of director	Shares in Issuer Company (on fully diluted basis)	% of total shareholding
Mr. Pradeep Dinodia	1*	NIL
Mr. Luv Deepak Shriram	1*	NIL
Ms. Meenakshi Dass	1*	NIL
Mr. Krishnakumar Srinivasan	1*	NIL

*1 Equity Share as Nominee of SPRL

Subsidiary 3: Grupo Antolin India Private Limited (GAIPL)

Name of director	Shares in Issuer Company (on fully diluted basis)	% of total shareholding
Mr. Pradeep Dinodia	1*	NIL
Mr. Luv Deepak Shriram	1*	NIL
Ms. Meenakshi Dass	1*	NIL
Mr. Krishnakumar Srinivasan	1*	NIL

*1 Equity Share as Nominee of SPRL

Subsidiary 4: Grupo Antolin Chakan Private Limited (GACPL)

Name of director	Shares in Issuer Company (on fully diluted basis)	% of total shareholding
Mr. Pradeep Dinodia	1*	NIL
Mr. Luv Deepak Shriram	1*	NIL
Ms. Meenakshi Dass	1*	NIL
Mr. Krishnakumar Srinivasan	1*	NIL

*1 Equity Share as Nominee of SPRL

Subsidiary 5: SPR EMF Innovations Private Limited

Name of director	Shares in Issuer Company (on fully diluted basis)	% of total shareholding
Mr. Pradeep Dinodia	1*	NIL
Ms. Meenakshi Dass	1*	NIL
Mr. Luv Deepak Shriram	1*	NIL

*1 Equity Share as Nominee of SEL

Subsidiary 6: SPR Takahata Precision India Private Limited

Name of director	Shares in Issuer Company (on fully diluted basis)	% of total shareholding
Mr. Pradeep Dinodia	1*	NIL
Ms. Meenakshi Dass	1*	NIL
Mr. Luv Deepak Shriram	1*	NIL

*1 Equity Share as Nominee of SEL

Subsidiaries: SPR TGPEL Precision Engineering Limited

Sr. No.	Particulars

Name of director	Shares in Issuer Company (on fully diluted basis)	% of total shareholding
Mr. Pradeep Dinodia	1*	NIL
Mr. Luv Deepak Shriram	1*	NIL
Ms. Meenakshi Dass	1*	NIL
Mr. Krishnakumar Srinivasan	1*	NIL

*1 Equity Share as Nominee of SEL

Subsidiaries: Karna Intertech Private Ltd.

Name of director	Shares in Issuer Company (on fully diluted basis)	% of total shareholding
Mr. Pradeep Dinodia	1*	NIL
Mr. Luv Deepak Shriram	1*	NIL
Ms. Meenakshi Dass	1*	NIL
Mr. Krishnakumar Srinivasan	1*	NIL

*1 Equity Share as Nominee of SPRL

Associates Companies: NA

Name of director	Shares in Issuer Company (on fully diluted basis)	% of total shareholding
Nil	Nil	Nil

(iii)	**Appointment of any relatives to an office or place of profit of the Issuer, its subsidiary or associate company;**	Nil
(iv)	**Full Particulars of the nature and extent of interest, if any, of every director:**	
A	in the promotion of the Issuer;	Nil
B	in any immoveable property acquired by the Issuer in the two years preceding the date of the General Information Document or any immoveable property proposed to be acquired by it;	Nil
C	where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the Issuer shall be disclosed;	Nil

D **Details of Sitting Fees paid to Directors for attending board and committee meetings of the Company:**

Name of Director	December 31, 2025 (in Rs. million)	March 31, 2025 (in Rs. million)	March 31, 2024 (in Rs. million)	March 31, 2023 (in Rs. million)
Mr. Pradeep Dinodia	1.20	1.70	1.90	2.40
Mr. Hari Shanker Bhartia	0.10	0.10	0.30	0.20
Ms. Ferida Avnish Chopra	0.90	1.30	1.50	2.00
Ms. Meenakshi Dass	0.60	0.90	1.00	1.20

Sr. No.	Particulars

Mr. Sascha Putz[1]	NA	NA	0.10	0.70
Mr. Alok Ranjan[2]	NA	NA	1.60	2.10
Mr. Inderdeep Singh[3]	NA	0.70	1.60	2.30
Mr. Yukio Tanemura[4]	NA	NA	NA	0.10
Mr. Kaoru Ito[5]	NA	NA	NA	NA
Mr. Masaaki Yamaguchi[6]	NA	NA	0.50	0.60
Mr. Yasunori Maekawa[6]&[7]	0.10	0.40	0.20	0.10
Mr. Shinichi Unno[10]	0.10	0.50	0.30	0.70
Mr. Klaus Semke	0.20	0.50	0.60	NA
Mr. Alexandru Vladoi[8]	NA	Nil	Nil	NA
Ms. Tina Trikha[9]	1.00	1.10	NA	NA
Mr. Shigeto Muno[11]	0.20		-	-
Mr. Akihiro Ozaki[12]	0.20	NA	NA	NA

Notes:

1. Mr. Sascha Putz, NED of the Company, resigned w.e.f. closing hours of 30.4.2023.
2. Consequent to completion of his tenure, Mr. Alok Ranjan ceased to be NED (Independent) w.e.f. close of business hours of 29.3.2024.
3. Consequent to completion of his tenure, Mr. Inderdeep Singh ceased to be NED (Independent) w.e.f. close of business hours of 28.7.2024.
4. Mr. Yukio Tanemura, NED of the Company, resigned w.e.f. 5.4.2022.
5. Consequent to the resignation of Mr. Yukio Tanemura, Mr. Kaoru Ito, Alternate Director to Mr. Yukio Tanemura, also ceased to be the Director of the Company w.e.f. 5.4.2022.
6. Mr. Masaaki Yamaguchi, NED has resigned w.e.f. close of business hours of 31.3.2024, consequently Mr. Yasunori Maekawa, alternate director to Mr. Yamaguchi, also ceased to be director.
7. Mr. Yasunori Maekawa was appointed as NED of the Company w.e.f. 13.5.2024.
8. Mr. Alexandru Vladoi, Alternate Director to Mr. Klaus Semke, resigned w.e.f. close of business hours of 31.3.2025.
9. Ms. Tina Trikha was appointed as NED (Independent) w.e.f. 13.5.2024.
10. Mr. Shinichi Unno, NED (Independent) has resigned w.e.f. close of business hours of 7.5.2025.
11. Mr. Shigeto Muno was appointed as Alternate Director to Mr. Yasunori Maekawa w.e.f. 12.6.2024.
12. Mr. Akihiro Ozaki was appointed as NED (Independent) w.e.f. 12.6.2025.

5.9 **Any financial or other material interest of the directors, promoter, key managerial personnel or senior management in the offer and effect of such interest in so far as it is different from the interests of other persons**:

Please refer to the relevant Key Information Document.

5.10 **Contribution being made by the Directors as part of the offer or separately in furtherance of such objects:**

Please refer to the relevant Key Information Document.

5.11 **Following details regarding the Statutory Auditors of the Company**:

(a) **Details of the Auditor of the Company as on December 31, 2025**:

Name of the Auditor	Address	Date of Appointment
Walker Chandiok & Co LLP	L-41, Connaught Circus, New Delhi, 110001, India	Appointed at the 59th Annual General Meeting of the Company held on July 6, 2023 for a term of five (5) years, i.e. until the conclusion of 64th AGM to be held in the year 2028.

(b) **Details of change in auditors for preceding 3 (three) financial years and current financial year as on December 31, 2025**:

Name of the Auditor	Address	Date of Appointment	Date of cessation, if applicable	Date of Resignation, ifapplicable
Walker Chandiok & Co LLP	L-41, Connaught Circus, New Delhi, 110001, India	July 6, 2023 (for the FY 2023-24 to FY 2027-28) Appointed at the 59th Annual General Meeting of the Company held on July 6, 2023 for a term of five (5) years, i.e. until the conclusion of 64th AGM to be held in the year 2028.	Not applicable	Not Applicable
Deloitte Haskins & Sells LLP	7th Floor, Building 10, Tower B, DLF Cyber Enclave, Gurugram, Haryana, 122002	Not applicable	Deloitte Haskins & Sells were appointed at the 54th AGM for a term of five (5) years, i.e. until the conclusion of 59th AGM to be	Not Applicable

			held in the year	

5.12 **Details of the following liabilities of the Company, as on latest quarter end, as on December 31, 2025**:

(a) **Details of outstanding secured loan facilities of the Issuer as on December 31, 2025**:

Name of the Lender	Type of Facility	Amount Sanctioned (Rs. in million)	Principal Amount Outstanding (Rs. in million)	Repayment Date / Schedule	Security	Credit Rating	Asset Classification
ICICI Bank Limited	Fund Based working capital facility	300	400*	Repayable on demand	Refer Note A	IND AA+/ Stable	Standard
State Bank of India	Fund Based working capital facility	550	592*	Repayable on demand	Refer Note A	IND AA+/ Stable	Standard
HDFC Bank Limited	Fund Based working capital facility	170	Nil	Repayable on demand	Refer Note A	IND AA+/Stable	Standard
Axis Bank Limited	Fund Based working capital facility	203	Nil	Repayable on demand	Refer Note A	IND AA+/Stable	Standard
IDBI Bank Limited	Fund Based working capital facility	300	Nil	Repayable on demand	Refer Note A	IND AA+/Stable	Standard
Citibank N.A.	Fund Based working capital facility	296	110	Repayable on demand	Refer Note A	IND AA+/Stable	Standard
Hongkong Shanghai Banking Corporat	Fund Based working capital	131	Nil	Repayable on demand	Refer Note A	IND AA+/Stable	Standard

Name of the Lender	Type of Facility	Amount Sanctioned (Rs. in million)	Principal Amount Outstanding (Rs. in million)	Repayment Date / Schedule	Security	Credit Rating	Asset Classification
ion	facility						
DBS Bank India Limited	Fund Based working capital facility	50	Nil	Repayable on demand	Refer Note A	IND AA+/Stable	Standard
HDFC Bank Limited	Term Loan	1420	1239	Quarterly repayment ending December 2028	Refer Note B	IND AA+/Stable	Standard
Citibank N.A.	Term Loan	600	300	Quarterly repayment ending June 2028	Refer Note B	IND AA+/Stable	Standard
Hongkong and Shanghai Banking Corporation	Term Loan	400	200	Quarterly repayment ending June 2028	Refer Note B	IND AA+/Stable	Standard
Axis Bank Limited	Overdraft against Fixed Deposits	1000	500	Repayable on demand	Refer Note C	-	Standard
HDFC Bank Limited	Overdraft against Fixed Deposits	1000	983	Repayable on demand	Refer Note C	-	Standard

**DP (Drawing Power) Allocation based on interchangeability of FB and NFB limits.*

Security Structure:
Note A: First pari passu charge on inventories and trade receivables of the Company, present and future and second pari passu charge on all the movable and immovable property of the Company, present and future.

Note B: First pari passu charge on all the movable and immovable property of the Company, present and future.

Note C: Fixed Deposit with Bank.

(b) **Details of outstanding unsecured loan facilities as at the latest quarter end, as on December 31. 2025:**

Name of the Lender	Type of Facility	Amount Sanctioned (in Rs. million)	Principal Amount Outstanding (in Rs. million)	Repayment Date / Schedule	Credit Rating, if applicable
State Bank of India	Export Packing Credit	1000	1000	Repayable on demand	Unrated

(c) **Details of outstanding non-convertible securities in the following format as on latest quarter end, as on December 31, 2025**

Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount outstanding (Rs. In million)	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured/ unsecured	Security
NIL									

(d) **Details of commercial paper issuances as at the end of the last quarter, as on December 31, 2025 in the following format:**

Series of NCS	ISIN	Tenor / Period of Maturity	Coupon (Discount)	Amount outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / unsecured	Security	Other details viz. details of issuing and paying agent, details of credit rating agencies
NA	INE526E14086	62 (sixty two) days from the Deemed Date of Allotment	6.3704%	10,000,000,000	December 23, 2025	February 24, 2026	IND A1+	Unsecured	NA	NA

(e) **List of top 10 (ten) holders of non-convertible securities, in value terms (on a cumulative basis) as on latest quarter end, as on December 31, 2025:**

S. No.	Name of holders	Category of holder	Face value of holding per Non-Convertible Debentures	Holding as a % of total outstanding non- convertible securities of the Issuer
Not Applicable				

(f) **List of top 10 (ten) holders of commercial paper in terms of value (on cumulative basis) as on latest quarter end, as on December 31, 2025**

S. No.	Name of holders	Category of holder	Face value of holding (in Rs. million)	Holding as a % of total NCS outstanding of the Issuer
1	Nippon Life India Trustee Ltd. A/C Nippon India Low Duration Fund	Mutual Fund	1000	10
2	Nippon Life India Trustee Ltd. A/C Nippon India Multi Asset Allocation Fund	Mutual Fund	500	5
3	Nippon Life India Trustee Ltd. A/C Nippon India Ultra Short Duration Fund	Mutual Fund	1500	15
4	DSP Liquidity Fund	Mutual Fund	1000	10
5	SBI Mutual Fund - SBI Liquid Fund	Mutual Fund	6000	60

(g) **Details of the bank fund-based facilities / rest of the borrowing (if any, including hybrid debt like FCCB, optionally convertible debentures / preference shares) from financial institutions or financial creditors, as on December 31, 2025:**

Nil

5.13 **The amount of corporate guarantee or letter of comfort issued by the Issuer along with the name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees / any put option etc.**

Name of the step down subsidiary	Name of the bank	Amount of loan taken by the Step down subsidiary (in Rs. million)	Amount of corporate guarantee (in Rs. million)	Amount of loan outstanding as on December 31, 2025 (in Rs. million)	Amount of corporate guarantee outstanding as at December 31, 2025 (in Rs. million)
SPR Takahata Precision India Private Limited	HDFC Bank Limited	1100	1100	794	794

5.14 **Details of any outstanding borrowings taken / debt securities issued for consideration other than cash, whether: (a) in whole or part, (b) at a premium or discount, or (c) in pursuance of an option or not**

Nil

5.15 **Details of all default(s) and / or delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness, including corporate guarantee or letters of comfort issued by the Company, in the preceding 3 years including and the current financial year as on December 31, 2025**

Nil

5.16 **Any material event / development or change having implications on the financials / credit quality (e.g., any material regulatory proceedings against the Issuer / Promoter, litigations resulting in material liabilities, corporate restructuring event, etc.) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities/ commercial paper**:

Nil

5.17 **Any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the three years immediately preceding the year of the issue of this General Information Document against the Promoter of the Company**.

To the best of our knowledge, there are no litigation or legal action pending or taken by a Governmental Department or a statutory body or regulatory body during the 3 years immediately preceding the year of the issue of this General Information Document against the Promoters of the Company, whose outcome could have material adverse effect on the financial position of the Issuer, which may affect the Issue or the investor's decision to invest / continue to invest in the debt securities and/or non-convertible redeemable preference shares.

5.18 **Details of default and non-payment of statutory dues for the preceding 3 (three) financial years and the current financial year as on December 31, 2025**

Nil

5.19 **Details of pending litigation involving the Issuer, Promoter, Directors, subsidiaries, group**

companies or any other person whose outcome could have material adverse effect on the financial position of the Issuer, which may affect the Issue or the investor's decision to invest / continue to invest in the debt securities and/or non-convertible redeemable preference shares.

To the best of our knowledge, there are no pending litigation involving the Issuer, Promoter, Directors, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the Issuer, which may affect the Issue or the investor's decision to invest / continue to invest in the debt securities and/or non-convertible redeemable preference shares.

5.20 **Details of acts of material frauds committed against the Issuer in the preceding 3 (three) financial years and current financial year as on December 31, 2025, if any, and if so, the actions taken by the Issuer**

Nil

5.21 **Details of pending proceedings initiated against the Issuer for economic offences, if any**:

Nil

5.22 **Details of:**

(i) any inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act or any previous company law

(ii) prosecutions filed, if any (whether pending or not)

(iii) fines imposed or offences compounded,

in the 3 (three) years immediately preceding the year of issue of this General Information Document in the case of the issuer being a company and all of its subsidiaries.

Name of the Company	FY	Details of the Fine/Penalty
Shriram Pistons & Rings Limited	2022-23	The Company has complied with all regulatory requirements, with no penalties or restrictions imposed by SEBI, Stock Exchanges, or other statutory authorities in the last three years, except for a penalty of ₹53.10 Thousand (Inc. GST) levied by NSE for delayed filing under Regulation 23(9) of the SEBI LODR Regulations.

Besides the above, there have been no instances of any inquiry, inspection, investigation, prosecution, or imposition of fines or penalties against the Company. Further, in respect of its wholly owned subsidiaries viz. SEL, GAIPL, ALIPL, Karna and step-down subsidiaries viz. SPR EMFI, SPR TPIPL, SPR TGPEL and GACPL, there have been no such instances of inquiry, inspection, investigation, prosecution, or imposition of fines or penalties subsequent to their respective acquisitions.

5.23 **Related party transactions entered during the preceding three financial years and current financial year as on December 31, 2025 with regard to loans made or**

guarantees given or securities provided:

Please refer to Annexure 2 (*Financial Information*) of this General Information Document.

5.24 ***Related Party Transactions***

Reference to the relevant page number of the audited report which sets out the details of the Related Party Transactions entered during the three financial years immediately preceding the issue of the General Information Document.

Financial Year 2022-23	:	Please refer to Page Nos. F121 to F124 of the audited standalone financial statements for the financial year ended March 31, 2023.
	:	Please refer to Page Nos. F180 to F182 of the audited consolidated financial statements for the financial year ended March 31, 2023.
Financial Year 2023-24	:	Please refer to Page Nos. F375 to F378 of the audited standalone financial statements for the financial year ended March 31, 2024.
	:	Please refer to Page Nos. F450 to F452 of the audited consolidated financial statements for the financial year ended March 31, 2024.
Financial Year 2024-25	:	Please refer to Page Nos. F674 to F676 of the audited standalone financial statements for the financial year ended March 31, 2025.
	:	Please refer to Page Nos. F750 to F751 of the audited consolidated financial statements for the financial year ended March 31, 2025.

5.25 **Particulars of Material Contracts**

Material Contracts - By very nature and volume of its business, the Company is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Company. We have set out the details of the key material contracts relevant for the purpose of proposed issuance of Non-Convertible Securities:

(i) Memorandum of association and articles of association of the Company.

(ii) Tripartite Agreement between the Company, NSDL and the Registrar and Transfer Agent of Non-Convertible Securities or Commercial Papers (as applicable) in dematerialised form.

(iii) Tripartite Agreement between the Company, CDSL and the Registrar and Transfer Agent of the Non-Convertible Securities or Commercial Papers (as applicable) in dematerialised form.

(iv) Annual reports of the Company for last three Financial Years.

(v) Limited review financial results for the quarter ending on December 31, 2025.

(vi) Due diligence certificate issued by Debenture Trustee dated February 11, 2026.

(vii) Any other document as may be required under the relevant Key Information Document(s).

Copies of above contracts may be inspected at the Registered Office of the Company between 10:00 a.m. and 12:00 noon on any working day until the issue closing date of the respective issue.

5.26 **Registrar and Transfer Agent**

The Issuer has appointed Alankit Assignments Limited as registrar and transfer agent. Further, please refer to Annexure 10 (*Consent Letter of Registrar and Transfer Agent*) of this General Information Document to access the consent letter of Alankit Assignments Limited. The Issuer may further appoint any other registrar and transfer agent as may be specified in the relevant Key Information Document.

5.27 **Consent of Director(s), auditors, bankers to issue, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts.**

Sr. No.	Particulars	Remarks
1.	Directors	We have obtained the consent of the Directors for the purpose of this General Information Document.
2.	Auditors	We have obtained the consent of the previous auditors and current Auditors for the purpose of this General Information Document.
3.	Bankers to the issue	As the Non-Convertible Securities and/ or Commercial Papers will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, no bankers to the issue have been appointed in respect of the Non-Convertible Securities and/ or Commercial Papers.
4.	Solicitors/ Advisors	We have obtained the consent of the legal advisors for the purpose of this General Information Document
5.	Lead Managers	Not Applicable
6.	Registrar to the Issue	Please refer to Annexure 10 (*Consent of Registrar and Transfer Agent*) of this General Information Document(s).
7.	Lenders	Please refer to the relevant Key Information Document(s).
8.	Expert	As the Non-Convertible Securities and/ or Commercial Papers will be issued by way of private placement to identified investors in accordance with the process prescribed by SEBI, and as no statements or confirmations from any experts are being obtained in respect of this issue of Non-Convertible Securities and/ or Commercial Papers, the Issuer believes that no specific consent from the experts of the Issuer is required.

5.28 **If the security is backed by a guarantee or letter of comfort or any other document of a similar nature, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in this General Information Document**:

Please refer to the relevant Key Information Document(s).

5.29 **Disclosure of cash flow with the date of interest / dividend / redemption payment as per day count convention**:

(a) ***Day count convention for dates on which the payments in relation to the Non-Convertible Securities or Commercial Papers (as applicable) which need to be made***.

Please refer to the relevant Key Information Document(s).

(b) ***Procedure and time schedule for allotment and issue of Non-Convertible Securities or Commercial Papers (as applicable)***.

Please refer to the relevant Key Information Document(s).

(c) ***Illustration on coupon payment dates and redemption date and cash flows emanating from the Non-Convertible Securities or Commercial Papers (as applicable)***

Please refer to the relevant Key Information Document(s).

5.30 **The broad lending and borrowing policy including summary of the key terms and conditions of the term loans such as re-scheduling, prepayment, penalty, default; and where such lending or borrowing is between the issuer and its subsidiaries or associates, matters relating to terms and conditions of the term loans including re-scheduling, prepayment, penalty, default**:

Not Applicable

5.31 **The aggregate number of securities of the issuer company and its subsidiary companies purchased or sold by the promoter group, and by the directors of the company which is a promoter of the issuer company, and by the directors of the issuer company and their relatives, within 6 (six) months immediately preceding the date of filing the issue document with the Registrar of Companies**:

Nil

5.32 **Disclosures Prescribed under PAS – 4 of the Companies (Prospectus and Allotment of Securities) Rules, 2014:**

Sr. No.	Disclosure Requirements	Reference
PART A – PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER		
1.	**GENERAL INFORMATION**	
(a)	Name, registered and corporate address, website and other contact details of the Company.	Please refer to Section 4.1 (*General Information about the Issuer*) of this General Information Document.
(b)	Date of incorporation of the Company	Please refer to Section 4.1 (*General Information about the Issuer*) of this General Information Document.
(c)	Business carried on by the Company and its subsidiaries with the details of branches or units, if any: (i) The description of the	Please refer to Section 4.3 (*Overview and a brief summary of the business activities of the Issuer*) and Section 4.5 (*A brief summary of the business activities of the subsidiaries of the Issuer*) of this General Information Document.

Sr. No.	Disclosure Requirements	Reference
	Company's Principal Business Activities are as under; (ii) Details about the subsidiaries of the Company with the details of \branches or units.	
(d)	Brief particulars of the management of the company: a) Details of Board of Directors of the Company & their profile; b) Details of Key Management Personnel of the Company & their profile.	Please refer to Section 5.7(b) (*Brief particulars of the management of the Company*) of this General Information Document.
(e)	Names, addresses, DIN and occupations of the directors	Please refer to Section 5.7(a) (*Details of current directors of the Company as on date of this General Information Document*) of this General Information Document.
(f)	Management's perception of risk factors;	Please refer to Section 3 (*Risk Factors*) of the General Information Document.
(g)	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of – (i) statutory dues; (ii) debentures and interest thereon; (iii) deposits and interest thereon; (iv) loan from any bank or financial institution and interest thereon.	None
(h)	Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process;	Please refer to Section 4.1 (*General Information about the Issuer*) of the General Information Document.
(i)	Registrar of the Issue	Please refer to Section 5.26 (Registrar and Transfer Agent) of this General Information Document.
(j)	Valuation Agency:	Not applicable
(k)	Auditors:	Please refer to section 5.11 (a) (*Details of the auditors of the Company*) of the General Information

Sr. No.	Disclosure Requirements	Reference
		Document.
(l)	Any Default in Annual filing of the company under the Companies Act or the rules made thereunder:	None
2.	**PARTICULARS OF THE OFFER**	
(a)	Financial position of the Company for the last 3 Financial Years;	Please refer to **Annexure 2** (*Financial Information*) of General Information Document.
(b)	Date of passing of board resolution;	Board resolution dated February 2, 2026 Please refer to **Annexure 4** (*Corporate Authorisation*) of this General Information Document.
(c)	Date of passing of resolution in the general meeting, authorizing the offer of securities;	Not applicable
(d)	Kinds of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued;	Please refer to the relevant Key Information Document.
(e)	Price at which the security is being offered including the premium, if any, along with justification of the price	Please refer to the relevant Key Information Document.
(f)	Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer.	Please refer to the relevant Key Information Document.
(g)	Relevant date with reference to which the price has been arrived at;	Please refer to the relevant Key Information Document.
(h)	The class or classes of persons to whom the allotment is proposed to be made;	Please refer to the relevant Key Information Document.
(i)	Intention of Promoter, Directors or Key Managerial Personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer);	Please refer to the relevant Key Information Document.
(j)	The proposed time within which the allotment shall be completed	Please refer to the relevant Key Information Document.

Sr. No.	Disclosure Requirements	Reference
(k)	The names of the proposed allottees and the percentage of post private placement capital that may be held by them	Please refer to the relevant Key Information Document.
(l)	The change in control, if any, in the company that would occur consequent to the private placement	Please refer to the relevant Key Information Document.
(m)	The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of number of securities as well as price;	Please refer to the relevant Key Information Document.
(n)	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Please refer to the relevant Key Information Document.
(o)	Amount which the Company intends to raise by way of proposed offer of securities	Please refer to the relevant Key Information Document.
(p)	Terms of raising of securities: (a) duration; if applicable (b) rate of dividend or rate of interest; (c) mode of payment (d) mode of repayment;	Please refer to the relevant Key Information Document.
(q)	Proposed time schedule for which the private placement offer cum application letter is valid	Please refer to the relevant Key Information Document.
(r)	Purposes and objects of the Offer	Please refer to the relevant Key Information Document.
(s)	Contribution being made by the Promoter or Directors either as part of the offer or separately in furtherance of such objects;	Please refer to the relevant Key Information Document.
(t)	Principle terms of assets charged as security, if applicable;	Please refer to the relevant Key Information Document.
(u)	The details of significant	None.

Sr. No.	Disclosure Requirements	Reference
	and material orders passed by the regulators, courts and tribunals impacting the going concern status of the Company and its future operations;	
(v)	The pre-issue and post-issue shareholding pattern of the company	Please refer to **Annexure 7** (*Pre-Issue and Post*) of this General Information Document.
3.	**MODE OF PAYMENT FOR SUBSCRIPTION**	Cheque: Not Applicable Demand Draft: Not Applicable Other Banking Channels: Identified investors may use the below payment modes for subscription: • Electronic clearing services (ECS) • Real time gross settlement (RTGS) • Direct credit or national electronic fund transfer (NEFT)
4.	**DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC:**	
(a)	Any financial or other material interest of the Directors, Promoter or managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons	Please refer to Section 5.9 of this General Information Document.
(b)	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree Company during the last three years immediately preceding the year of the issue of this General Information Document and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	Please refer to Paragraph 5.17 (*Any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the three years immediately preceding the year of the issue of this General Information Document against the Promoter of the Company*) of this General Information Document.
(c)	Remuneration of directors (during the current year and last three Financial Years);	Please refer to Section 5.8 (*Details of directors' remuneration, and such particulars of the nature and extent of their interests in the Issuer*) of the General Information Document.
(d)	Related party transactions entered during the last three	Please refer to Section 5.23 and Section 5.24 of this General Information Document.

Sr. No.	Disclosure Requirements	Reference
	Financial Years immediately preceding the year of issue of this General Information Document including with regard to loans made or, guarantees given or securities provided;	
(e)	Summary of reservations or qualifications or adverse remarks of auditors in the last five Financial Years immediately preceding the year of issue of this General Information Document and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark;	Please refer to Section 5.35 of this General Information Document.
(f)	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, or any previous Company law in the last three years immediately preceding the year of issue of this General Information Document in the case of Company and all of its subsidiaries, and if there were any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this General Information Document and if so, section-wise details thereof for the Company and all of its subsidiaries	Please refer to Section 5.22 of the General Information Document.

<table>
<tr><th>Sr. No.</th><th>Disclosure Requirements</th><th>Reference</th></tr>
<tr><td>(g)</td><td>Details of acts of material frauds committed against the Company in the last three years, if any, and if so, the action taken by the Company.</td><td>Please refer to Section 5.20 of the General Information Document.</td></tr>
<tr><td>5.</td><td colspan="2">FINANCIAL POSITION OF THE COMPANY</td></tr>
<tr><td>(a)</td><td>The capital structure of the company</td><td>Please refer to Annexure 6 (Capital Structure) of this General Information Document.</td></tr>
<tr><td>(b)</td><td>size of the present offer;</td><td>Please refer to the relevant Key Information Document.</td></tr>
<tr><td>(c)</td><td>Paid-up capital:
i. after the offer
ii. after conversion of convertible instruments (if applicable)
iii. share premium account (before and after the offer)</td><td>Please refer to Annexure 6 (Capital Structure) of this General Information Document.</td></tr>
<tr><td>(d)</td><td>Details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.</td><td rowspan="2">Please refer to Annexure 5 (Details of existing share capital of the Issuer) of the General Information Document.</td></tr>
<tr><td>(e)</td><td>Number and price at which each of the allotments were made in the last one year preceding the date of the private placement offer cum application letter</td></tr>
<tr><td>(f)</td><td>Profits of the company, before and after making provision for tax, for the three Financial Years immediately preceding the date of issue of private placement offer cum application letter</td><td>Standalone Basis:
<table>
<tr><th>Particulars</th><th>December 31, 2025 (Rs. in million)</th><th>March 31, 2025 (Rs. in million)</th><th>March 31, 2024 (Rs. in million)</th><th>March 31, 2023 (Rs. in million)</th></tr>
<tr><td>Profit before Tax</td><td>5,082.70</td><td>6,679.91</td><td>5,988.68</td><td>3,969.40</td></tr>
<tr><td>Profit after Tax</td><td>3,788.08</td><td>4.978.01</td><td>4,467.77</td><td>2,955.79</td></tr>
</table></td></tr>
</table>

<table>
<tr><th>Sr. No.</th><th>Disclosure Requirements</th><th>Reference</th></tr>
<tr><td></td><td></td><td>Consolidated Basis:
<table>
<tr><th>Particulars</th><th>December 31, 2025 (Rs. in million)</th><th>March 31, 2025 (Rs. in million)</th><th>March 31, 2024 (Rs. in million)</th><th>March 31, 2023 (Rs. in million)</th></tr>
<tr><td>Profit before Tax</td><td>5,444.46</td><td>6,816.61</td><td>5,891.31</td><td>3,930.19</td></tr>
<tr><td>Profit after Tax</td><td>4,025.20</td><td>5,155.57</td><td>4,386.64</td><td>2,938.78</td></tr>
</table></td></tr>
<tr><td>(g)</td><td>Dividends declared by the company in respect of the said three Financial Years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid)
Consolidated</td><td>
<table>
<tr><th>Particulars</th><th>December 31, 2025</th><th>March 31, 2025</th><th>March 31, 2024</th><th>March 31, 2023</th></tr>
<tr><td>Dividend amounts paid (in million)</td><td>220.25</td><td>440.50</td><td>330.37</td><td>308.35</td></tr>
<tr><td>Interest Coverage Ratio (cash profit after tax plus interest paid/ interest paid)</td><td>26.08</td><td>24.33</td><td>23.88</td><td>26.28</td></tr>
</table></td></tr>
<tr><td>(h)</td><td>A summary of the financial position of the company as in the three audited financial statements immediately preceding the date of issue of private placement offer cum application letter</td><td>Please refer to Annexure 2 (Financial Information) of the General Information Document.</td></tr>
<tr><td>(i)</td><td>Audited Cash Flow Statement for the three years immediately preceding the date of issue of private placement offer cum application letter</td><td>Please refer to Annexure 2 (Financial Information) of the General Information Document.</td></tr>
<tr><td>(j)</td><td>Any change in accounting policies during the last three years and their effect on the profits and the reserves of</td><td>No change</td></tr>
</table>

Sr. No.	Disclosure Requirements	Reference
	the company	
PART – B: APPLICATION FORM		Please refer to the relevant Key Information Document.
6.	**DECLARATION BY THE DIRECTORS**	Please refer to the Section titled 'Declaration' of this General Information Document.

5.33 **Disclosures *in respect of issue of non-convertible redeemable preference shares***

Please refer to the relevant Key Information Document(s)

5.34 **Disclosure in terms of SEBI Debenture Trustees Master Circular**

Please refer to the relevant Key Information Document(s).

5.35 **The summary of reservations or qualifications or adverse remarks of auditors in the five financial years immediately preceding the year of issue of the General Information Document, and of their impact on the financial statements and financial position of the company, and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remarks**

None.

5.36 **Other details pertaining to the Issue**

(i) ***Creation of Debenture redemption reserve creation / Capital Redemption Reserve (CRR) - relevant legislations and applicability***

Please refer to the relevant Key Information Document(s)

(ii) ***Issue/instrument specific regulations – relevant details (Companies Act, RBI guidelines etc.)***

Please refer to the relevant Key Information Document(s)

(iii) ***Governing Law and Provisions***

Please refer to the relevant Key Information Document(s)

(iv) ***Default in Payment***

Please refer to the relevant Key Information Document(s)

(v) ***Delay in Listing***

Please refer to the relevant Key Information Document(s)

(vi) ***Delay in allotment of securities***

Please refer to the relevant Key Information Document(s)

(vii) ***Issue Details:***

Please refer to the relevant Key Information Document(s).

(viii) ***Application Process***

Please refer to the relevant Key Information Document(s).

(ix) ***Debenture Trustee***

Axis Trustee Services Limited has given its consent *vide* letter dated February 3, 2026 to act as debenture trustee in relation to Debentures, please refer to **Annexure 3** (*Consent of Debenture Trustee*) of this General Information Document. Further, the Debenture Trustee has also issued the due diligence certificate dated February 11, 2026 in terms of SEBI Debenture Trustees Master Circular which disclosed under **Annexure 9** (*Due diligence certificate*) of this General Information Document. Further, the Company may also appoint any other debenture trustee, the details of which may be specified under the relevant Key Information Document(s).

(x) ***Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project;***

Please refer to the relevant Key Information Document(s).

SECTION 6: ISSUE DETAILS

Terms	Particulars
Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year)	Please refer to the relevant Key Information Document(s).
Issuer	Shriram Pistons & Rings Limited
Type of Instrument	Please refer to the relevant Key Information Document(s).
Nature of Instrument (Secured or Unsecured)	Please refer to the relevant Key Information Document(s).
Seniority (Senior or Subordinated)	Please refer to the relevant Key Information Document(s).
Eligible Investors	Please refer to the relevant Key Information Document(s).
Listing (name of Stock Exchange(s) where it will be listed and timeline for listing)	Please refer to the relevant Key Information Document(s).
Rating of the Instrument	Please refer to the relevant Key Information Document(s).
Issue Size	Please refer to the relevant Key Information Document(s).
Minimum subscription	Please refer to the relevant Key Information Document(s).
Option to retain oversubscription (Amount)	Please refer to the relevant Key Information Document(s).
Issue-wise green shoe option exercised vis-a-vis the base issue size and green shoe portion as specified in issues undertaken in the previous financial year	Please refer to the relevant Key Information Document(s).
Objects of the Issue / Purpose for which there is requirement of funds	Please refer to the relevant Key Information Document(s).
In case the issuer is an NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:	Not Applicable
Details of the utilization of the	Please refer to the relevant Key Information Document(s).

Terms	Particulars
Proceeds	
Coupon / Dividend Rate	Please refer to the relevant Key Information Document(s).
Step Up/Step Down Coupon Rate	Please refer to the relevant Key Information Document(s).
Coupon/Dividend Payment Frequency	Please refer to the relevant Key Information Document(s).
Coupon / Dividend payment dates	Please refer to the relevant Key Information Document(s).
Cumulative / non-cumulative, in case of dividend	Please refer to the relevant Key Information Document(s).
Coupon Type (Fixed, floating or other structure)	Please refer to the relevant Key Information Document(s).
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	Please refer to the relevant Key Information Document(s).
Day Count Basis (Actual/Actual)	Please refer to the relevant Key Information Document(s).
Interest on Application Money	Please refer to the relevant Key Information Document(s).
Default Interest Rate	Please refer to the relevant Key Information Document(s).
Tenor	Please refer to the relevant Key Information Document(s).
Redemption Date	Please refer to the relevant Key Information Document(s).
Redemption Amount	Please refer to the relevant Key Information Document(s).
Redemption Premium /Discount	Please refer to the relevant Key Information Document(s).
Issue Price	Please refer to the relevant Key Information Document(s).
Discount at which security is issued and the effective yield as a result of such discount.	Please refer to the relevant Key Information Document(s).
Premium/Discount at which security is redeemed and the effective yield as a result of such premium/discount.	Please refer to the relevant Key Information Document(s).
Put Date	Please refer to the relevant Key Information Document(s).
Put Price	Please refer to the relevant Key Information Document(s).
Call Date	Please refer to the relevant Key Information Document(s).
Call Price	Please refer to the relevant Key Information Document(s).
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	Please refer to the relevant Key Information Document(s).

Terms	**Particulars**
Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	Please refer to the relevant Key Information Document(s).
Face Value	Please refer to the relevant Key Information Document(s).
Minimum Application and in multiples of thereafter	Please refer to the relevant Key Information Document(s).
Issue Timing	Please refer to the relevant Key Information Document(s).
Issue Opening Date	Please refer to the relevant Key Information Document(s).
Issue Closing date	Please refer to the relevant Key Information Document(s).
Date of earliest closing of the issue, if any.	Not Applicable
Pay-in Date	Please refer to the relevant Key Information Document(s).
Deemed Date of Allotment	Please refer to the relevant Key Information Document(s).
Settlement mode of the Instrument	Please refer to the relevant Key Information Document(s).
Depository	NSDL and / or CDSL
Disclosure of Interest/ Dividend/ redemption dates	Please refer to the relevant Key Information Document(s).
Record Date	Please refer to the relevant Key Information Document(s).
All covenants of the issue (including side letters, accelerated payment clause, etc.)	Please refer to the relevant Key Information Document(s).
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation	Please refer to the relevant Key Information Document(s).
Replacement of security, interest to the debenture holder over and above the coupon	Please refer to the relevant Key Information Document(s).

Terms	Particulars
rate as specified in the Trust Deed and disclosed in the General Information Document	
Transaction Documents	Please refer to the relevant Key Information Document(s).
Conditions Precedent to Disbursement	Please refer to the relevant Key Information Document(s).
Condition Subsequent to Disbursement	Please refer to the relevant Key Information Document(s).
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	Please refer to the relevant Key Information Document(s).
Creation of recovery expense fund	Please refer to the relevant Key Information Document(s).
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Please refer to the relevant Key Information Document(s).
Provisions related to Cross Default Clause	Please refer to the relevant Key Information Document(s).
Role and Responsibilities of Trustee	Please refer to the relevant Key Information Document(s).
Risk factors pertaining to the issue	Please refer to the relevant Key Information Document(s).
Governing Law and Jurisdiction	Please refer to the relevant Key Information Document(s).
Interest rate parameter – zero coupon, fixed coupon or floating coupon	Please refer to the relevant Key Information Document(s).
Minimum Bid Lot	Please refer to the relevant Key Information Document(s).
Manner of bidding in the issue i.e. open bidding or closed bidding	Please refer to the relevant Key Information Document(s).
Manner of allotment in the issue i.e. uniform yield allotment or multiple yield allotment	Please refer to the relevant Key Information Document(s).

Terms	Particulars
Manner of settlement in the issue i.e. through clearing corporation or through escrow bank account of issuer	Please refer to the relevant Key Information Document(s).
Settlement cycle i.e. T+1 or T+2 day	Please refer to the relevant Key Information Document(s).
Anchor Investors	Please refer to the relevant Key Information Document(s).
Anchor Portion details	Please refer to the relevant Key Information Document(s).

Notes:

(i) If there is any change in Coupon Rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new Coupon Rate and the events which lead to such change should be disclosed;

(ii) The list of documents which have been executed in connection with the issue and subscription of Non-Convertible Securities shall be annexed;

(iii) While the Non-Convertible Securities are secured to the extent of hundred per cent. of the amount of principal and interest or as per the terms of issue document, in favour of debenture trustee, it is the duty of the debenture trustee to monitor that the security is maintained (applicable in case of secured debentures); and

(iv) The Issuer shall provide granular disclosures in their issue document, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue". Further, the amount earmarked "General Corporate Purposes", shall not exceed twenty-five per cent. of the amount raised by the issuer in the proposed issue (applicable in case of public issue).

SECTION 7: UNDERTAKING BY THE ISSUER

The Issuer undertakes that:

(a) Investors are advised to read the risk factors carefully before taking an investment decision in respect of the Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the offer including the risks involved. The securities have not been recommended or approved by any regulatory authority in India, including the SEBI nor does SEBI guarantee the accuracy or adequacy of this General Information Document. Specific attention of investors is invited to section 'General Risks' on **page number 1** and the statement of 'Risk factors' given in Section 3 (*Risk Factors*) of this General Information Document.

(b) The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this General Information Document read with the relevant Key Information Document(s) contains all information with regard to the Issuer and the Issue, that the information contained in the General Information Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this General Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

(c) The Issuer has no side letter with any holder of the Non-Convertible Securities or Commercial Papers (as applicable). Any covenants later added shall be disclosed on the Stock Exchange(s) where the Non-Convertible Securities or Commercial Papers (as applicable) will get listed.

DECLARATION

SHRIRAM PISTONS & RINGS LTD.

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

SHRIRAM

DECLARATION

The Company hereby declares that the General Information Document contains full disclosure in accordance with SEBI NCS Regulations, SEBI LODR Regulations, the Operational Guidelines and the Companies Act and rules thereunder.

The Company undertakes and confirms that the General Information Document does not omit disclosure of any material fact which may make the statements made therein, in the light of the circumstances under which they are made, misleading.

The Company accepts no responsibility for the statements made otherwise than in the General Information Document or in any other material issued by or at the instance of the Company and that anyone placing reliance on any other source of information would be doing so at his own risk.

Without prejudice to the above, the Company and each of the persons authorised by the Company, attest that:

(a) the Company is in compliance with the provisions of the Securities Contracts (Regulation) Act, 1956, the SEBI Act, the Companies Act and the rules and regulations made thereunder;

(b) the compliance with the above acts and the rules and regulations does not imply that payment of dividend or interest or repayment of non-convertible securities-, is guaranteed by the Central Government;

(c) the monies received under the offer shall be used only for the purposes and objects indicated in the General Information Document;

(d) nothing in the General Information Document is contrary to the provisions of Companies Act, the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the SEBI Act and the rules and regulations made thereunder;

(e) the clause on "General Risks" has been suitably incorporated in prescribed format in the General Information Document; and

(f) the contents of the General Information Document have been perused by the Board of Directors, and the final and ultimate responsibility of the contents mentioned herein shall also lie with the Board of Directors.

We, Krishnakumar Srinivasan, Managing Director & CEO and Prem Prakash Rathi, Chief Financial Officer, are authorised by the Board of Directors of the Company *vide* resolution dated February 2, 2026 passed by the Board of Directors to sign the General Information Document and declare that all the requirements of the Companies Act and the rules made thereunder in respect of this subject matter of the General Information Document and matters incidental thereto have been complied with. Whatever is stated in General Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of the General Information Document has been suppressed or concealed and is as per the original records maintained by the Promoters. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to the General Information Document.

For Shriram Pistons & Rings Limited

Signed By:

Name: Krishnakumar Srinivasan
Designation: Managing Director & CEO
Date: 11 FEBRUARY, 2026
Place: New Delhi

Signed By:

Name: Prem Prakash Rathi
Designation: Chief Financial Officer
Date: 11 FEBRUARY, 2026
Place: New Delhi

PHONE : +91 11 2331 5941 FAX : +91 11 2331 1203 E-mail : sprl@shrirampistons.com Website : www.shrirampistons.com
PAN : AAACS0229G • CIN : L29112DL1963PLC004084

ANNEXURE 1: SHAREHOLDING PATTERN OF THE COMPANY AS ON DECEMBER 31, 2025

[*Attached Separately as Appendix 1*]

ANNEXURE 2: FINANCIAL INFORMATION

AUDITED FINANCIALS STATEMENTS FOR THE FINANCIAL YEARS ENDED MARCH 31, 2023, MARCH 31, 2024, MARCH 31, 2025 AND THE LIMITED REVIEW FINANCIAL RESULTS FOR THE QUARTER ENDING DECEMBER 31, 2025 ALONG WITH THE RELEVANT AUDIT REPORTS

Sr. No.	Particulars	Page No.
1.	Audited standalone financial statements for the financial year ended March 31, 2023	F77 to F135
2.	Audited consolidated financial statements for the financial year ended March 31, 2023	F137 to F196
3.	Audited standalone financial statements for the financial year ended March 31, 2024	F323 to F395
4.	Audited consolidated financial statements for the financial year ended March 31, 2024	F396 to F472
5.	Audited standalone financial statements for the financial year ended March 31, 2025	F621 to F693
6.	Audited consolidated financial statements for the financial year ended March 31, 2025	F694 to F771
7.	Limited review standalone financial results for the quarter ended December 31, 2025	F781 to F785
8.	Limited review consolidated financial results for the quarter ended December 31, 2025	F786 to F790

[*Attached Separately as Appendix 2*]

ANNEXURE 3: CONSENT OF DEBENTURE TRUSTEE

ATSL/CO/25-26/00693
03 February, 2026

SHRIRAM PISTONS & RINGS LIMITED
THIRD FLOOR, HIMALAYA HOUSE, 23 KASTURBA GANDHI MARG
NEW DELHI
Delhi, State Code: 07
Pincode: 110001
India
GSTIN: 07AAACS0229G2ZQ

Kind Attn. - Praveer Yadav

Dear Sir/Madam,

Sub: Consent to act as Debenture Trustee for Privately Placed, Listed, Secured, Redeemable, Non-Convertible Debentures aggregating upto INR 1000 Crores by Issuer

We, Axis Trustee Services Limited, hereby give our consent to act as the Debenture Trustee for the above mentioned issue of Debentures having a tenure of more than one year and are agreeable to the inclusion of our name as Debenture Trustee in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum and/or application to be made to the Stock Exchange for the listing of the said Debentures.

Axis Trustee Services Limited (ATSL) consenting to act as Debenture Trustees is purely its business decision and not an indication on the Issuer Company's standing or on the Debenture Issue. By consenting to act as Debenture Trustees, ATSL does not make nor deems to have made any representation on the Issuer Company, its Operations, the details and projections about the Issuer Company or the Debentures under Offer made in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document. Applicants / Investors are advised to read carefully the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document and make their own enquiry, carry out due diligence and analysis about the Issuer Company, its performance and profitability and details in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document before taking their investment decision. ATSL shall not be responsible for the investment decision and its consequence.

We also confirm that we are not disqualified to be appointed as Debentures Trustee within the meaning of Rule 18(2)(c) of the Companies (Share Capital and Debentures) Rules, 2014.

Yours truly,
For **Axis Trustee Services Limited**

Subhash Kumar Jha,
Deputy General Manager

ANNEXURE 4: CORPORATE AUTHORISATIONS

BOARD RESOLUTION

SHRIRAM PISTONS & RINGS LTD.

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

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CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE 368TH MEETING OF BOARD OF DIRECTORS OF THE COMPANY HELD ON MONDAY, THE 2ND DAY OF FEBRUARY, 2026 AT 4:15 P.M. (IST) AT COMPANY'S REGISTERED OFFICE LOCATED ON 3RD FLOOR, HIMALAYA HOUSE, 23, KASTURBA GANDHI MARG, NEW DELHI – 110001 (VENUE/DEEMED VENUE) THROUGH PHYSICAL MODE AND VIDEO CONFERENCING (HYBRID)

Agenda Item 'C 1' about **"To consider and approve the issuance of Secured Non-Convertible Debentures (NCDs) and approve ancillary matters"** was considered.

After deliberations, it was:

"**RESOLVED THAT** pursuant to the provisions of Section 42, 71 and 179 and other applicable provisions of the Companies Act, 2013 ("**Act**"), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, the provisions of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**SEBI NCS Regulations**"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), the relevant provisions of Memorandum of Association and Articles of Association of the Company, any other law, rules, guidelines, regulations for the time being in force and any other circulars, notifications and /or clarifications issued by any relevant authority (including any statutory modifications or re-enactments thereof for the time being in force, the consent of the Board of Directors of the Company (hereinafter referred to as the "**Board**"), be and is hereby accorded to offer and issue up to 100,000 secured, rated, listed and redeemable, non-convertible debentures having face value of INR 100,000/- (Rupees Hundred Thousand Only) each aggregating up to INR 10,000 Million (Rupees Ten Thousand Million Only) in one or more tranches or series ("**NCDs**") on private placement basis ("**Issue**"), in dematerialized form, on the terms as set out in the General Information Document ("**GID**") and Key Information Documents, including the private placement offer cum application letter ("**KID**", collectively with the GID, the "**Issue Documents**") and debenture trust deed to be entered into between the Company and the Debenture Trustee (*defined below*) ("**Debenture Trust Deed**") to entities eligible to subscribe to and hold the NCDs in accordance with the applicable laws and for the purposes as more particularly set out in the Debenture Trust Deed and the Issue Documents.

RESOLVED FURTHER THAT, in accordance with applicable provisions of the Act and any other applicable provisions, rules and regulations, as amended from time to time, Axis Trustee Services Limited ("**ATSL**" / "**Debenture Trustee**"), a SEBI registered debenture trustee, be appointed as the Debenture Trustee in relation to the proposed issuance of the NCDs by the Company, for the interest and benefit of the holders of the NCDs, to protect rights, interest and security of the holders of the NCDs on such terms and conditions as the parties may deem fit. The Company does hereby approve the settlement of a trust for the benefit of the holders of the NCDs (the "**Debenture Holders**") and shall contribute the initial corpus of the aforesaid trust in accordance with the Debenture Trust Deed.

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RESOLVED FURTHER THAT, any two of the Company's Key Managerial Personnel (KMP) viz. Mr. Krishnakumar Srinivasan (DIN: 00692717), Managing Director & CEO, Mr. Prem Prakash Rathi, Chief Financial Officer, and Mr. Pankaj Gupta, Company Secretary & Compliance Officer, of the Company (collectively referred as "**Authorized Officials**"), be and are hereby jointly authorised, for and on behalf of Company, to sign the declaration(s) contained in the Issue Documents (including any amendments and/ or corrigenda thereto), in accordance with the provisions of the Act, read with the provisions of SEBI NCS Regulations, as amended from time to time and other applicable provisions (if any) including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.

RESOLVED FURTHER THAT, Mr. Krishnakumar Srinivasan (DIN: 00692717), Managing Director & CEO, Mr. Prem Prakash Rathi, Chief Financial Officer, Mr. Pankaj Gupta, Company Secretary & Compliance Officer and Mr. Praveer Yadav, Senior General Manager, of the Company (collectively referred as "**Authorized Officials**") of the Company, be and are hereby severally authorised, for and on behalf of Company, to approve the Issue Documents and make any corrections, amendments, deletions, additions in the Issue Documents relating to the proposed issuance of NCDs, to give any information, explanation, declaration and confirmations as may be required by the regulatory or other authorities and file the Issue Documents, with the relevant stock exchange(s), Registrar of Companies and the Securities and Exchange Board of India (SEBI) and upload the Issue Documents on the electronic bidding platform of the relevant stock exchange for facilitating the bidding process in accordance with the applicable laws and regulations as and when required.

RESOLVED FURTHER THAT the consent of the Board, be and is hereby accorded in accordance with Section 179 and any other applicable provisions of the Act, the rules and regulations framed thereunder, the relevant provisions of Memorandum and Articles of Association of the Company, and other applicable laws, if any, (including any statutory modification(s) or amendment(s) re- enactment(s) thereof for the time being in force) for the creation and perfection of the following security (collectively the "**Security**") by way of:

(i) first ranking pari passu charge (with term lenders) created by way of hypothecation over all of the movable fixed assets including those under capital work-in-progress both present and future; and

(ii) any other security as may be mutually agreed between the Company and the Debenture Trustee.

RESOLVED FURTHER THAT, the following documents have been / are proposed to be executed in relation to the issuance of the NCDs and all the transactions contemplated therein be and are hereby approved by the Board:

(a) the Debenture Trust Deed;

(b) the Debenture Trustee Appointment Agreement ("**Debenture Trustee Agreement**");

(c) the GID;

(d) the KID;

(e) the security documents; and

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(f) all other agreements, undertakings, powers of attorney, instruments, indentures, memorandum of entry, deeds, declarations, certificates, letters, notices, writings, fee letters and other documents (whether financing, security or otherwise) in relation, or pertaining, to the transactions contemplated by, or under the above documents or in connection with the NCDs,

(together, the "**Debenture Documents**") and any amendment(s), re-statement(s) and modification(s) (however fundamental) to the Debenture Documents.

RESOLVED FURTHER THAT, Mr. Krishnakumar Srinivasan (DIN: 00692717), Managing Director & CEO, Mr. Prem Prakash Rathi, Chief Financial Officer, Mr. Pankaj Gupta, Company Secretary & Compliance Officer and Mr. Praveer Yadav, Senior General Manager, of the Company (collectively the "**Authorised Officials**") be and are hereby severally authorized:

(i) to approve of, decide, negotiate on, and finalize the timing, terms and conditions applicable to the NCDs, including but not limited to pricing and date of allotment, and to vary any of the above-specified terms;

(ii) to make the necessary applications to National Securities Depository Limited or Central Depository Services (India) Limited, (hereinafter collectively referred to as the "**Depositories**"), and such other application to all such authorities and/ or any stock exchange as may be necessitated from time to time for purpose of issuances of the NCDs including but not limited to submission of master creation forms for creation of International Securities Identification Number and subsequent revision thereto, submission of corporate action forms for credit of the NCDs, registration of the Company on the listing portal of the relevant stock exchanges i.e. National Stock Exchange of India Limited ("**NSE**") and/or the BSE Limited ("**BSE**") and subsequent listing on NSE and/or BSE, registration of the Company on SCORES, Online Dispute Resolution platforms or any such platforms as may be necessary and take all actions that may be essential in this regard;

(iii) to obtain all necessary authorizations from governmental authorities and/ or third parties as necessary in connection with the transactions contemplated under the Debenture Documents and complete all formalities in respect thereto;

(iv) to negotiate, re-negotiate, deal with, modify, alter, amend, finalize, sign, execute and to finalize the other intermediary agreements and that may be required to be executed for appointment and succession and of the other intermediaries and/ or their agents (including the Debenture Trustee, Registrar, Credit Rating Agency (*as defined below*), valuers, *etc.*) and negotiate and finalize fees for such intermediaries to be appointed in relation to the NCDs;

(v) to negotiate, re-negotiate, deal with, modify, alter, amend, vary, finalize, sign, execute, deliver or cause to be executed and delivered on behalf of the Company, the Debenture Documents and any changes, variation and modifications to the terms and conditions contained in the Debenture Documents (whether before or after execution of the Debenture Documents) together with all other documents, agreements, instruments, letters and writings required in connection with, or ancillary to, the

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Debenture Documents and for issue and allotment of the NCDs and creation and perfection of the Security as may be necessary or required for the aforesaid purpose;

(vi) to open such bank accounts with any bank as may be required by, or pursuant to the Debenture Documents, sign and execute the application form and other documents required for opening the bank accounts and to give such instructions including closure thereof as may be required and deemed appropriate by them and to provide the specimen signatures of each of Authorised Officials to the Debenture Trustee, as may be required;

(vii) to make all filings and registrations, as may be necessary in relation to the issuance and the allotment of the NCDs and creation of security under the relevant Debenture Documents, including filing of relevant forms with the relevant Registrar of Companies, relevant filing with Central Registry of Securitisation Asset Reconstruction and Security Interest of India, the Debenture Documents and a return of allotment of securities pursuant to allotment of the NCDs with the relevant Registrar of Companies, the information utility, the depository participant, the stock exchange, and any other regulator or body;

(viii) pay all stamp duty required to be paid/ arrange for payment of stamp duty required to be paid for the issue of the NCDs and execution of the Debenture Documents in accordance with the laws of the Republic of India and present the relevant Debenture Documents for registration before the jurisdictional sub-registrar, if required;

(ix) do all such acts, deeds, matters and things that the Authorised Officials may in their absolute discretion consider necessary, proper and expedient for the purposes of issuance, allotment and listing of the NCDs including fulfilment of the conditions precedent and subsequent to the issuance of NCDs as set out in the Debenture Documents, execution of the Debenture Documents and to sign, execute and deliver all certificates, letters, documents and writings required under the Debenture Documents and as may be necessary to implement the resolutions, including execution of master creation form and application form, carrying out necessary modifications and determining other terms and conditions as they may deem fit; and

(x) to certify as having been adopted by the Board, any and all other resolutions necessary, advisable or appropriate to consummate the Debenture Documents or its other obligations in relation to the NCDs as contemplated by the foregoing resolutions.

RESOLVED FURTHER THAT and pursuant to the proviso to Section 179(3) and other applicable provisions of the Act (as amended from time to time and including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and all other applicable norms, guidelines, regulations and law in force, the Board Committee for Loans of the Company duly constituted by the Board in their meeting held on 25 July 2006 and as reconstituted by the Board from time to time, last being in their meeting held on 6 November 2023 ("**Loan Committee**"), for the purpose of, completing the issue and allotment of NCDs on a private placement basis, be and is hereby authorised and empowered to perform all such acts, deeds and things that the Board is authorised to perform under this resolution and / or all such acts, deeds and things as the Loan Committee may, in its absolute discretion, deem

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necessary or desirable in connection with the issuance and allotment of NCDs and matters incidental thereto including but not limited to:

(i) exercising all powers / functions to borrow money by way of issue and allotment of the NCDs within the limits approved by the Board under these resolutions, from time to time and take any action as may be deemed necessary in this regard;

(ii) to approve and make changes/ modifications to the Issue Documents, to approve the Issue Documents and any corrigendum, amendments supplements thereto;

(iii) to negotiate and finalize the terms and conditions of the Debenture Documents, including any amendments and restatements thereto;

(iv) issue the Issue Documents (as may be required) to the identified investors;

(v) to allot debt securities including the NCDs pursuant to the provisions of the Act and any other applicable regulations for the time being in force and to take such steps and do all such acts, deeds, matters and things and execute all such deeds, documents, instruments, forms and writings (including the Debenture Documents) and accept any alterations or modifications as it may deem fit and proper, and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of the NCDs;

(vi) providing the Security within the limits approved by the Board under these resolutions, if any;

(vii) delegating authority from time to time to the executives / authorised persons to implement its decisions; and

(viii) to exercise all such powers which the Board may direct / authorize on behalf of the Company in relation to the NCDs and the Debenture Documents (including to address, solve for, resolve any situations, issues or difficulties which may arise in relation to the NCDs and the Debenture Documents).

RESOLVED FURTHER THAT the Loan Committee be and is hereby authorised to perform all such acts, deeds and things as may be required for the matters listed at serial numbers (i) to (viii) above and/or which may be consequential and/or incidental to the above.

RESOLVED FURTHER THAT without prejudice to the generality of the above and for the purpose of giving effect to the above, the Loan Committee be and is hereby authorised to determine as to when the NCDs are to be issued, the terms of the issue, number of NCDs to be allotted, issue price, rate of interest, redemption period, listing on one or more recognised stock exchanges and all such terms as are provided in an offering of like nature as the Loan Committee may in its absolute discretion deem fit and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues and to perform all such acts, deeds, matters and things execute all such deeds and documents as may be necessary and settle any questions or difficulties that may arise in regard to the said issue(s).

RESOLVED FURTHER THAT, the Board hereby approves the appointment of the Depositories, Alankit Assignments Limited as the registrar and transfer agent for the depository scheme.

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("**Registrar**"), India Ratings & Research Private Limited or such other recognized rating agency as may be determined by the Board for issuance of the NCDs ("**Credit Rating Agency**") and any arranger(s) to the Issue, upon such terms and conditions as may be approved by them and undertake all actions as may be required including but not limited to execution of the tripartite agreement with the Registrar and the Depositories and obtaining the credit rating from the Credit Rating Agency.

RESOLVED FURTHER THAT the Company be and is hereby authorized to create a (i) debenture redemption reserve, as required under rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time, if and to the extent applicable; and (ii) the recovery expense fund and the settlement guarantee fund with the stock exchange as required under the SEBI NCS Regulations as amended from time to time, in each case, if and to the extent applicable.

RESOLVED FURTHER THAT, the common seal of the Company shall, if required, be affixed to the Debenture Documents, and such other documents as may be required under any law, rules and regulations to be executed under the Common Seal of the Company in the form and manner and in accordance with the terms of the articles of association of the Company, and the common seal of the Company may be carried to any place where any Debenture Document is proposed to be executed.

RESOLVED FURTHER THAT any and all actions taken by Authorised Officials of the Company in connection with any transaction or objectives approved in any or all of the foregoing resolutions, and all transactions related thereto, are hereby approved, ratified and confirmed in all respects and any and all actions hereafter to be taken by Authorised Officials of the Company in furtherance of the objectives of the foregoing resolutions are hereby authorized, approved and ratified in all respects.

RESOLVED FURTHER THAT a copy of the above Resolution certified by the Company Secretary or any director of the Company, be forwarded to such persons or authorities as may be required from time to time.

The above resolution, as enclosed with the agenda item, was approved by the Board.

For **Shriram Pistons & Rings Limited**

(Pankaj Gupta)
Company Secretary
Membership No.: F 4647

Date : February 3, 2026
Place: New Delhi

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SHAREHOLDERS RESOLUTION

SHRIRAM PISTONS & RINGS LTD.

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

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CERTIFED COPY OF RESOLUTIONS PASSED BY THE MEMBERS OF THE COMPANY AT 59TH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON THURSDAY, THE 6TH DAY of JULY, 2023 AT 4:00 P.M. (IST) AT 3rd FLOOR, HIMALAYA HOUSE, 23, KASTURBA GANDHI MARG, NEW DELHI-110001(DEEMED VENUE) HELD THROUGH VIDEO CONFERENCING/ OTHER AUDIO VISUAL MEANS ALONG WITH EXPLANATORY STATEMENT.

APPROVAL FOR **"AUTHORISATION FOR CREATION OF SECURITY ON THE PROPERTIES OF THE COMPANY IN FAVOUR OF LENDER UNDER SECTION 180(1)(A) OF THE COMPANIES ACT, 2013"** to be passed as **Special Resolution**, was approved as under: -

RESOLVED THAT in supersession of the resolution passed by the members and pursuant to the provisions of Section 180(1) (a) and other applicable provisions, if any, of the Companies Act 2013, and the rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), as amended from time to time, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this resolution) for mortgaging and/or charging and/or hypothecations as may be necessary, all or any of the movable or immovable properties wherever situated, both present and future, the whole or substantially whole of the undertaking or the undertakings of the Company for the purpose of securing any loan obtained or proposed to be obtained by the Company from the concerned lender(s)/financial institution(s) or persons, together with the interest, cost, charges, expenses and any other money payable under the respective arrangement to be entered into/to be entered by the Company to the concern lender(s).

RESOLVED FURTHER THAT the securities to be created by the Company as aforesaid may rank prior/pari passu/ subservient with/to the mortgages and/or charges already created or to be created in the future by the Company or in such other manner and ranking as may be thought expedient by the Board and as may be agreed to between the concerned parties.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds & things and to sign all such documents as may be necessary, expedient and incidental thereto to give effect to this resolution

For **Shriram Pistons & Rings Limited**

(Pankaj Gupta)
Company Secretary
Membership No.: F 4647

Date : February 3, 2026
Place: New Delhi

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EXPLANATORY STATEMENT U/S 102 OF THE COMPANIES ACT, 2013

ITEM NO. 8

Presently, the Board of Directors of the Company has powers for the creation of security on properties of the Company in favour of lenders in line with erstwhile provisions of section 293(1)(a) of the Companies Act, 1956.

However, Section 180(1) (a) of the Companies Act, 2013 which stipulates similar powers as per erstwhile section 293(1)(a) of the Companies Act, 1956, the powers/discretions shall be exercised by the Board of Directors of the Company only with the assent of the Shareholders by the Special Resolution passed at the General Meeting.

It is proposed to align the borrowing powers of the Board in line with provisions of the Section 180(1) (a) of the Companies Act, 2013.

The Board of Directors recommends the resolutions for your approval as special resolution.

None of the Directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution at Item No. 8 of the Notice.

For **Shriram Pistons & Rings Limited**

(Pankaj Gupta)
Company Secretary
Membership No.: F 4647

Date : February 3, 2026
Place: New Delhi

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ANNEXURE 5: DETAILS OF EXISTING SHARE CAPITAL OF THE ISSUER

A. *Details of Equity Share Capital of the Issuer*

The following table sets forth details of allotments of equity shares of our Company since the date of incorporation:

Date of Allotment	No. of Equity Shares	Face value per Equity Share (in INR)	Issue price per Equity Share (in INR)	Nature of transaction	Nature of consideration (Cash / bonus / consideration other than cash)	Cumulative no. of Equity Shares	Cumulative paid-up Equity Share Capital (in INR)
December 9, 1963	7	10	10	Subscribers to the MOA	Cash	7	70
July 17, 1965	80,000[1]	10	10	Allotment	Cash	80,007	8,00,070[5]
July 17, 1965	50,000[2]	10	10	Allotment	Cash	1,30,007	13,00,070[5]
July 17, 1965	28,042[3]	10	10	Allotment	Cash	1,58,049	15,80,490[5]
September 3, 1965	1,51,851[4]	10	10	Allotment	Cash	3,09,900	30,99,000[5]
January 22, 1966	7,140	10	10	Allotment	Cash	3,17,040	31,70,400
November 28, 1967	4,660	10	10	Allotment	Other than cash[6]	3,21,700	32,17,000
May 22, 1968	44,444	10	10	Allotment	Cash	3,66,144	36,61,440
June 27, 1970	50,000	10	10	Allotment	Cash	4,16,144	41,61,440
June 27, 1970	30,000	10	10	Allotment	Other than cash[7]	4,46,144	44,61,440
September 29, 1970	20,000	10	10	Allotment	Cash	4,66,144	46,61,440
August 1, 1991	4,66,144	10	-	Bonus in the ratio 1:1	-	9,32,288	93,22,880
July 26, 1994	46,61,440	10	-	Bonus in the ratio 1:5	-	55,93,728	5,59,37,280
November 10, 1997	55,93,728	10	-	Bonus in the ratio 1:1	-	1,11,87,456	11,18,74,560
November 1, 2000	1,11,87,456	10	-	Bonus in the ratio 1:1	-	2,23,74,912	22,37,49,120

Date of Allotment	No. of Equity Shares	Face value per Equity Share (in INR)	Issue price per Equity Share (in INR)	Nature of transaction	Nature of consideration (Cash / bonus / consideration other than cash)	Cumulative no. of Equity Shares	Cumulative paid-up Equity Share Capital (in INR)
October 11, 2021	(3,50,000)	10	-	Buyback	-	2,20,24,912	22,02,49,120
July 28, 2023	2,20,24,912	10	1	Bonus in the ratio 1:1	-	4,40,49,824	44,04,98,240

Notes:

1. *The Company had issued 80,000 partly paid-up equity shares on July 17, 1965. The final call on such shares were made on October 15, 1966 pursuant to which the said shares became fully paid up.*
2. *The Company had issued 50,000 partly paid-up equity shares on July 17, 1965. The final call on such shares were made on October 15, 1966 pursuant to which the said shares became fully paid up.*
3. *The Company had issued 28,042 partly paid-up equity shares on July 17, 1965. The final call on such shares were made on October 15, 1966 pursuant to which the said shares became fully paid up.*
4. *The Company had issued 1,51,851 partly paid-up equity shares on September 3, 1965. The final call on such shares were made on October 15, 1966 which was later extended progressively up to October 31, 1968 for shareholders who had not made payment, pursuant to which the said shares became fully paid up.*
5. *This includes the amount representing conversion of partly paid-up shares into fully paid-up shares pursuant to final calls.*
6. *4,660 Equity Shares were issued to Karl Schmidt Gmbh against purchase of machinery.*
7. *30,000 Equity Shares were issued to Western Pacific Land & Investment Co. against purchase of machinery.*

B. *Details of Preference Share Capital of the Issuer*

As on Date	No. of Preference Shares	Face value per Preference Share (in INR)	Issue price per Preference Share (in INR)	Nature of transaction	Nature of consideration (Cash / bonus / consideration other than cash)	Cumulative no. of Preference Shares	Cumulative paid-up Preference share capital (in INR)
April 30, 1966	16,000	100	100	Allotment	Cash	16,000	16,00,000
April 30, 1968	170	100	100	Allotment	Cash	16,170	16,17,000
March	(16,170)	100	100	Redemption of preferenc	Cash	Nil	Nil

As on Date	No. of Preference Shares	Face value per Preference Share (in INR)	Issue price per Preference Share (in INR)	Nature of transaction	Nature of consideration (Cash / bonus / consideration other than cash)	Cumulative no. of Preference Shares	Cumulative paid-up Preference share capital (in INR)
31, 1991				e shares issued till date			
March 31, 1998	10,00,000	100	100	Allotment	Cash	10,00,000	10,00,00,000
March 31, 2003	(3,30,000)	100	100	Redemption of preference shares	Cash	6,70,000	6,70,00,000
March 31, 2004	(6,70,000)	100	100	Redemption of preference shares	Cash	Nil	Nil
March 31, 2019	28,85,760	100	100	Allotment	Cash	28,85,760	28,85,76,000
March 31, 2020	(28,85,760)	100	100	Redemption of preference shares issued till date	Cash	Nil	Nil

C. *The Issuer shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of this General Information Document*

The Company has not made any allotment in the last one year preceding the date of this General Information Document.

ANNEXURE 6: CAPITAL STRUCTURE

#	Authorised Capital (In Rs.)	Issued Capital (In Rs.)	Subscribed Capital (In Rs.)	Paid up Capital (In Rs.)
Number of equity shares	5,25,00,000	4,40,49,824	4,40,49,824	4,40,49,824
Nominal amount per equity share	10	10	10	10
Total amount of equity shares	52,50,00,000	44,04,98,240	44,04,98,240	44,04,98,240
Number of preference shares	30,00,000	Nil	Nil	Nil
Nominal amount per preference shares	100	-	-	-
Total amount of preference shares	30,00,00,000	Nil	Nil	Nil

***Note**: The Capital Structure is presented as on date of this General Information Document.*

Paid up capital of the Company	(in Rs.)
Before the issue of Debentures	44,04,98,240
After conversion of convertible instruments (if applicable)	NA
After the issue of Debentures	44,04,98,240

Securities premium account of the Company	(in Rs. in million)
Before the issue of Debentures	Nil
After the issue of Debentures	Nil

ANNEXURE 7: PRE-ISSUE AND POST ISSUE SHAREHOLDING PATTERN OF THE COMPANY AS ON DECEMBER 31, 2025

#	Category	Pre-Issue		Post-Issue	
		No. of Equity Shares held	% of share holding	No. of Equity Shares held	% of share holding
A. Promoters/ Promoter Group holding					
1	Indian				
	Individuals/ Hindu Undivided Family	1,36,96,800	31.09	1,36,96,800	31.09
	Bodies corporate	55,76,306	12.66	55,76,306	12.66
	Sub-total	1,92,73,106	43.75	1,92,73,106	43.75
2	Foreign promoter	Nil	Nil	Nil	Nil
	Sub-total (A)	**1,92,73,106**	**43.75**	**1,92,73,106**	**43.75**
B. Non-Promoter Holding					
1	**Institutional Investors**				
	MF/AIF/Insurance companies/NBFC	57,86,513	13.14	57,86,513	13.14
	FPI	29,18,044	6.62	29,18,044	6.62
	Sub-total	**87,04,557**	**19.76**	**87,04,557**	**19.76**
2	**Non-Institutional Investors**				
	Private Corporate Bodies	9,92,232	2.25	9,92,232	2.25
	Directors and Relatives	Nil	Nil	Nil	Nil
	Indian Public	49,05,277	11.13	49,05,277	11.13
	Others including Non-resident Indians (NRIs)	1,01,74,652	23.10	1,01,74,652	23.10
	Sub-total	**1,60,72,161**	**36.49**	**1,60,72,161**	**36.49**
	Sub-total (B)	**2,47,76,718**	**56.25**	**2,47,76,718**	**56.25**
	Grand Total (A+B)	**4,40,49,824**	**100**	**4,40,49,824**	**100**

ANNEXURE 8: CREDIT RATING LETTER AND RATING RATIONALE/ PRESS RELEASE

RATING LETTER

India Ratings & Research
A Fitch Group Company

FitchGroup

Mr. Prem Rathi
Chief Financial Officer
Shriram Pistons and Rings Limited
23, Kasturbha Gandhi Marg,
New Delhi-110 001

February 11, 2026

Dear Sir/Madam, Re: Rating Letter for BLR & Proposed NCDs of Shriram Pistons and Rings Limited

India Ratings and Research (Ind-Ra) has upgraded the ratings of Shriram Pistons and Rings Limited (SPRL) and its bank loan facilities and proposed non-convertible debentures (NCDs) to 'IND AA+' from 'IND AA' while resolving the Rating Watch with Positive Implications. The Outlook is Stable. The instrument-wise rating actions are as follows:

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (million)	Rating assigned along with Outlook/Watch	Rating Action
Issuer rating	-	-	-	-	IND AA+/Stable	Upgraded; Off Rating Watch with Positive Implications
Bank loan facilities	-	-	-	INR5,738.61 (reduced from INR5,809.2)	IND AA+/Stable/IND A1+	Long-term rating upgraded; short-term rating affirmed; Off Rating Watch with Positive Implications
Proposed non-convertible debentures	-	-	-	INR10,000	IND AA+/Stable	Upgraded; Off Rating Watch with Positive Implications

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not

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comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,
India Ratings

Abhishek Bhattacharya
Senior Director

India Ratings & Research
A Fitch Group Company

FitchGroup

Annexure: Facilities Breakup

Instrument Description	Bank Name	Ratings	Outstanding/Rated Amount(INR million)
Fund Based Working Capital Limit	State Bank of India	IND AA+/Stable	550.00
Non-Fund Based Working Capital Limit	State Bank of India	IND A1+/Stable	50.00
Fund Based Working Capital Limit	HDFC Bank Limited	IND AA+/Stable	170.00
Non-Fund Based Working Capital Limit	HDFC Bank Limited	IND A1+	430.00
Fund Based Working Capital Limit	Axis Bank Limited	IND AA+/Stable	203.00
Non-Fund Based Working Capital Limit	Axis Bank Limited	IND A1+	330.00
Fund Based Working Capital Limit	IDBI Bank	IND AA+/Stable	300.00
Non-Fund Based Working Capital Limit	IDBI Bank	IND A1+	300.00
Fund Based Working Capital Limit	Citibank N.A.	IND AA+/Stable	296.00
Non-Fund Based Working Capital Limit	Citibank N.A.	IND A1+	324.50
Fund Based Working Capital Limit	Hongkong Shanghai Banking corporation	IND AA+/Stable	131.00
Non-Fund Based Working Capital Limit	Hongkong Shanghai Banking corporation	IND A1+	115.50
Fund Based Working Capital Limit	DBS Bank India Limited	IND AA+/Stable	50.00
Non-Fund Based Working Capital Limit	DBS Bank India Limited	IND A1+	200.00
Term Loan	Citibank N.A.	IND AA+/Stable	300.00
Term Loan	Hongkong Shanghai Banking corporation	IND AA+/Stable	200.00
Term Loan	HDFC Bank Limited	IND AA+/Stable	1238.61
Fund-based working capital limits	ICICI Bank	IND AA+/Stable	300.00
Non-fund-based working capital limits	ICICI Bank	IND A1+	250.00

RATING RATIONALE

India Ratings & Research
A Fitch Group Company

India Ratings Upgrades Shriram Pistons and Rings and its Bank Loan Facilities & Proposed NCDs to 'IND AA+'/Stable; Affirms CP at 'IND A1+'; Off Rating Watch with Positive Implications

Feb 11, 2026 | Auto Components & Equipments

India Ratings and Research (Ind-Ra) has upgraded the ratings of Shriram Pistons and Rings Limited (SPRL) and its bank loan facilities and proposed non-convertible debentures (NCDs) to 'IND AA+' from 'IND AA' while resolving the Rating Watch with Positive Implications. The Outlook is Stable. The instrument-wise rating actions are as follows:

Details of Instruments

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (million)	Rating assigned along with Outlook/Watch	Rating Action
Issuer rating	-	-	-	-	IND AA+/Stable	Upgraded; Off Rating Watch with Positive Implications
Bank loan facilities	-	-	-	INR5,738.61 (reduced from INR5,809.2)	IND AA+/Stable/IND A1+	Long-term rating upgraded; short-term rating affirmed; Off Rating Watch with Positive Implications
Commercial paper	-	-	Up to 365 days	INR10,000	IND A1+	Affirmed
Proposed non-convertible debentures	-	-	-	INR10,000	IND AA+/Stable	Upgraded; Off Rating Watch with Positive Implications

Analytical Approach

Ind-Ra continues to take a fully consolidated view of SPRL and its subsidiaries: SPR Engenious Limited (SEL; 100% stake), SPR EMF Innovations Private Limited (EMFI; 72.6% stake), SPR Takahata Precision India Private Limited (TPIPL; 62% stake), SPR TGPEL Precision Engineering Limited (TGPEL; 100% stake), and Karna Intertech Private Limited (KIPL; 100% stake). The agency has also factored in the operational synergies and ramping up of scale from the acquisitions of Antolin Lighting India Private Limited (ALIPL; 100% stake) and Grupo Antolin India Private Limited (GAIPL; 100% stake) in January 2026. This is because of the strong operational and financial linkages among them as all the companies operate in the automotive segment.

Detailed Rationale of the Rating Action

The resolution of Rating Watch with Positive Implications and the rating upgrade reflects the acquisition of the entire outstanding stake in ALIPL, GAIPL and GAIPL's subsidiary Grupo Antolin Chakan Pvt. Ltd, and visibility on the operating performance of the acquired entities.

SPRL acquired a 100% stake in ALIPL, GAIPL and GAIPL's subsidiary Grupo Antolin Chakan, on 8 January 2026. The acquired entities are leading suppliers of automotive interior solutions in India, and manufacture and sell products such as headliner substrates, modular headliners, sunvisors, door panels, central floor consoles, door trim, front-end carriers, exterior plastic parts, overhead consoles, dome lamps, ambient lighting, touch panels and capacitive pads, to major original equipment manufacturers (OEMs) across India in the passenger vehicle segment.

The upgrade also reflects SPRL's strengthened business profile following the acquisitions, which have increased SPRL's presence in the engine-agnostic segment and will lead to a significant increase in the scale of operations 4QFY26 onwards. SPRL's revenue growth has been consistently higher than the industry average, therefore, Ind-Ra expects the same to continue over the medium term, along with strong credit metrics and return on capital employed. However, Ind-Ra notes that these acquisitions could lead to lower consolidated EBITDA margins over FY27-FY28 and an elevation in the net leverage from the current levels before it reduces below 1.0x over FY27-FY28.

List of Key Rating Drivers

Strengths
- Acquisitions to strengthen business profile
- Healthy operating performance of legacy business
- Diversified revenue streams
- Established market position
- Strong credit metrics
- Strong technological support

Weaknesses
- Transition to electrical vehicles (EVs)
- Limited scope of expansion in legacy business

Detailed Description of Key Rating Drivers

Acquisitions to Strengthen Business Profile: SPRL completed the acquisition of ALIPL and GAIPL in January 2026, acquiring the three entities of Antolin Group. The total enterprise value of the transaction of EUR159 million (equivalent to around INR16700 million) was funded by debt of INR10,000 million and the remaining through internal accruals. The three entities cumulatively recorded revenue of INR8,789 million in 9MFY26 (FY25: INR11,792 million, FY24: INR10,214 million) with a mid-single to high-single digit EBITDA margin. Ind-Ra expects the acquisitions to strengthen SPRL's business profile by increasing its diversification into the engine-agnostic segments. The company's current products, including pistons, rings, and valves are engine-components, which are exposed to the risk of EV transition; thus, these acquisitions are likely to help the company in diversifying its revenue base. The acquisitions will also boost the total scale of operations of the consolidated entity.

Healthy Operating Performance of Legacy Business: SPRL's consolidated EBITDA improved to INR6,100 million in 9MFY26 (9MFY25: INR5,100 million, FY25: INR7,200 million, FY24: INR6,400 million), on account of continued uptick in demand across all product segments from domestic OEMs, exports, and aftermarket sales. This translated to healthy EBITDA margins of more than 20% over the stated period, benefitting from improved operating leverage, cost-cutting measures, automation of operations as well as better sales mix. The company has also been able to largely pass on material cost hikes to the OEMs, although with a time lag of three-to-six months.

The consolidated revenue grew at a CAGR of 20% to INR35,498 million over FY22-FY25 (FY24: INR30,893 million) on account of growth in legacy business as well as incremental contribution from the businesses acquired over FY23-FY24. The acquisitions together contributed around INR3,703 million to the consolidated revenue in FY25 (FY24: INR1,356 million). With the acquisition of GAIPL and ALIPL, Ind-Ra expects the revenue base to increase to INR42,000 million-45,000 million in FY26 and further above INR50,000 million in FY27. GAIPL will be consolidated into SPRL effective 8 January 2026.

Ind-Ra expects SPRL's existing business EBITDA margin to remain largely stable; however, the acquired businesses will have low EBITDA margins (mid-single digit to high-single digit). Nevertheless, Ind-Ra expects SPRL's EBITDA margins to remain above 17% over FY26-FY27. Ind-Ra also notes that with the ramping up of the scale of operations and cost-optimisation measures, the EBITDA margins of the acquired entities should improve 200-300bp over the medium term. The return on capital employed was above 25% over FY23-FY25.

Diversified Revenue Streams: SPRL caters to various segments of the automotive industry including OEMs, which have been the largest revenue contributor (FY25: 67.1%; FY24: 64.4%) followed by aftermarket sales (17.5%; 17.8%) and exports (15.4%; 17.8%). Furthermore, being a diversified player, the company caters to the entire auto spectrum of two-wheelers, three-wheelers (2W), passenger vehicles, commercial vehicles and tractors while having a healthy market share in each of these segments. SPRL's exposure to diversified industry segments as well as the replacement and exports markets offsets the risk arising from feeble demand from any particular sector or customers.

Furthermore, the acquisition of EMFI, which operates in the EV drive train components segment such as electric motors and motor

controllers for EVs and other applications, and of TGPEL Precision Engineering which manufactures high-precision injection molds, helps SPRL to diversify its revenue to the engine-agnostic segments. Moreover, the acquisition of GAIPL will enable SPRL to make inroads into the development, design, and manufacturing of interior solutions for premium OEMs, further diversifying its revenue base. At the current revenue levels, GAIPL would contribute around 25% to the consolidated revenue.

Established Market Position: SPRL is a leading player in the piston, piston pin, piston ring, and engine valve industry, with more than five decades of experience. It has strong relationships with leading OEMs across various segments in the automotive industry and has maintained a strong share of business with major customers. The company maintained its market share across most of the vehicle segments in FY25. SPRL's diversified presence in the domestic, exports and replacement markets as well as across all vehicle classes (passenger vehicles, commercial vehicles, 2W, and tractors) will shield the company against any slowdown in one of the vehicle classes.

Strong Credit Metrics: The company remained net cash positive for six consecutive years till 1HFY26 and reported a negative net debt of INR4,032 million (FY25: negative INR4,624 million; FY24: negative INR4,071 million). However, in 9MFY26, it reported a net leverage (net debt/EBITDA), on annualised basis, of 1.2x due to the debt raised for funding the acquisition. The interest coverage (EBITDA/interest expense) remained strong at 20.8x in 9MFY26 (9MFY25: 19.8x; FY25: 21.1x; FY24: 21.1x).

The company plans to incur a capex of around INR1,750 million during FY26 and INR1,500 million in FY27, largely towards quality upgradation, productivity improvement, and debottlenecking of capacities, which will be funded through internal accruals. The aforementioned acquisitions entailed a cash outflow of around INR17,000 million in FY26, which was funded through debt and internal accruals. The consolidated net leverage could remain above 1.0x in FY26, and is likely to improve by FY27, on account of likely healthy cash generation in the existing business and improved profitability in the acquired entities coupled with the regular repayments of existing term loans.

Strong Technological Support: SPRL has longstanding technical collaborations with leading international technology providers such as KS Kolbenschmidt GmbH for pistons for diesel and petrol engines since 1965, Riken Corporation for piston rings since 1977, and Fuji Oozx Inc. for engine valves since 1990. It also has a partnership with Honda Foundry Co. Ltd. for supplying to the Honda group since 1993. As part of this Antolin's Indian operations acquisition, SPRL has signed a technology agreement with Grupo Antolin, Spain and would benefit from new technologies developed to offer newer products. SPRL has been focusing on research, development and innovation to remain technologically ahead of the competition as well as reduce costs.

Transition to EVs: SPRL is exposed to risks related to changes in regulations within the automotive industry, especially with regards to the transition to EVs, including the potential for acquisitions and/or higher research and development spending. The company derives a sizeable proportion of its revenue from the 2W segment, which is among the first auto segments to witness higher electrification. Hence, the agency believes that an increase in the penetration of EVs could affect the company's credit profile. To mitigate this risk, SPRL has tried to gain access to the top EV players in the 2W segment through the EMFI acquisition and also incorporated fungibility in its internal combustion engine and EV manufacturing facilities. Furthermore, the GAIPL acquisition would enable increased exposure to engine agnostic segments. Ind-Ra expects the shift to EVs across auto segments to be gradual, and the risk is likely to play out only over the medium-to-long term; this will remain a key rating monitorable.

Limited Scope of Expansion in Legacy Business: SPRL is a market leader in the piston, piston pin, piston ring and engine valve industry across major OEMs and end-markets, indicating limited scope for growth in its existing revenue streams. Ind-Ra believes SPRL's ability to increase revenue in the acquired businesses, and develop new revenue streams either through new products or new geographies, will be important to further strengthen its business profile.

Liquidity

Adequate: SPRL's average monthly utilisation of the fund-based limits at the standalone level was moderate at 44% during the 12 months ended December 2025. The company maintained strong cash and cash equivalents of INR9,301 million at 9MFYE26 (FYE25: INR9,702 million; FYE24: INR 8,754 million). The free cash flow remained strong at INR2,592 million in FY25 (FY24: INR3,315 million), despite capex of INR1,742 million (INR1,461 million). The net working capital cycle elongated slightly to 74 days in FY25 (FY24: 67 days) on account of higher receivable and inventory days but continued to be in line with the long-term average cycle of 70-75 days.

Ind-Ra expects the free cash flow to remain positive in FY26-FY27, owing to improved operational cash flows on account of the acquisitions as well as no major planned capex. There is a cash outgo of INR17,000 million in FY26 pertaining to the GAIPL acquisition, which was funded by a commercial paper borrowing of INR10,000 million as a bridge loan; this will be replaced by a likely NCD issuance in 4QFY26. As per management, the NCDs are unlikely to be due for repayment in FY26-FY27. SPRL has scheduled

term loan repayments of around INR285 million and around INR1,000 million in FY26 and FY27, respectively. Ind-Ra believes the capex and scheduled debt repayments will be comfortably met from internal accruals.

Rating Sensitivities

Positive: A substantial improvement in the revenue and profitability, along with a diversification in the EBITDA profile while maintaining the credit metrics, all on a consolidated and sustained basis, could result in a positive rating action

Negative: A decline in the revenue or profitability and/or higher-than-expected capex/acquisitions, leading to the net leverage exceeding 1.5x, all on a consolidated and sustained basis, or a weakening of the business risk profile or changing regulations in the automotive industry, leading to sustained deterioration in the return on capital employed, could result in a negative rating action.

Any Other Information

Standalone Performance: In 9MFY26, the company's standalone revenue increased 11% yoy to INR25,737 million (FY25: up 7% yoy to INR31,795 million). The EBITDA was INR6,761 in FY25 (FY24: INR6,300 million) and interest coverage was 27x (25x).

ESG Issues

ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on SPRL, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra's ESG Relevance Disclosures, please click here. For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click here.

About the Company

Formed in 1972, SPRL has facilities in Ghaziabad (Uttar Pradesh) and Pathredi (Rajasthan) for manufacturing pistons, piston pins, piston rings and engine valves. It caters to OEMs across the diverse segments of the automotive industry, aftermarkets and export markets. The company has a facility in Coimbatore (Tamil Nadu) for manufacturing electric motors and motor controllers, Neemrana (Rajasthan) and Noida (Uttar Pradesh) for design and manufacturing of precision injection moulded components having a variety of functional products for automotive applications, and Pithampur (Madhya Pradesh) for manufacturing engine valves.

Key Financial Indicators

Particulars (Consolidated)	9MFY26	FY25	FY24
Revenue from operations (INR million)	30,029	35,498	30,893
EBITDA (INR million)	6,081	7,243	6,420
EBITDA margin (%)	20.3	20.4	20.8
Interest coverage (x)	20.8	21.1	21.1
Net leverage (x)	1.2	-0.6	-0.6
Source: SPRL; Ind-Ra			

Status of Non-Cooperation with previous rating agency

Not applicable

Rating History

Instrument Type	Rating Type	Rated Limits (million)	Current Rating/Outlook	Historical Rating/Outlook/Rating Watch					
				16 December 2025	18 March 2025	19 March 2024	20 September 2023	21 September 2022	13 July 2022
Issuer rating	Long-term	-	IND AA+/Stable	IND AA/Rating Watch with Positive Implications	IND AA/Positive	IND AA/Stable	IND AA/Stable	IND AA/Stable	IND AA/Stable
Commercial paper	Short-term	INR10,000	IND A1+	IND A1+	-	-	-	-	-
Commercial paper	Short-term	INR100	-	-	-	-	-	WD	IND A1+

Bank loan facilities	Long-term/short-term	INR5738.61	IND AA+/Stable/ IND A1+	IND AA/Rating Watch with Positive Implications/IND A1+	IND AA/Positive/IND A1+	IND AA/Stable/IND A1+	IND AA/Stable/IND A1+	IND AA/Stable/IND A1+	IND AA/Stable/ IND A1+
Proposed non-convertible debentures	Long-term	INR10,000	IND AA+/Stable	IND AA/Rating Watch with Positive Implications	-	-	-	-	-
Fixed deposit	Long-term	-	-	-	WD	IND AA/Stable	IND AA/Stable	IND AA/Stable	IND AA/Stable

Bank wise Facilities Details

Complexity Level of the Instruments

Instrument Type	Complexity Indicator
Bank loan facilities	Low
Commercial paper	Low
Non-convertible debentures	Low

For details on the complexity level of the instruments, please visit https://www.indiaratings.co.in/complexity- indicators.

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About India Ratings

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Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance companies, urban local bodies, and structured finance and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Gurugram, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India and the Reserve Bank of India.

Ind-Ra is a 100% owned subsidiary of the Fitch Group.

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

APPLICABLE CRITERIA AND POLICIES

Evaluating Corporate Governance

Corporate Rating Methodology

Policy for Placing Ratings on Rating Watch

Parent and Subsidiary Rating Linkage

Short-Term Ratings Criteria for Non-Financial Corporates

The Rating Process

DISCLAIMER

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ANNEXURE 9: DUE DILIGENCE CERTIFICATE

DUE DILIGENCE CERTIFICATE (ANNEXURE A)

ATSL/DEL/2025-26/1740

To,
National Stock Exchange of India Limited (NSE)
Exchange Plaza, Plot No. C/1, G-Block,
Bandra Kurla Complex, Bandra (East),
Mumbai - 400 051

Dear Sir / Madam,

SUB.: ISSUE OF 100,000 (ONE LAKH) FULLY PAID, SENIOR, SECURED, RATED, LISTED, TAXABLE, REDEEMABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, AGGREGATING UP TO INR 1000,00,00,000/- (INDIAN RUPEES ONE THOUSAND CRORES ONLY) BY SHRIRAM PISTONS & RINGS LIMITED ("ISSUER" OR "COMPANY") ON A PRIVATE PLACEMENT BASIS ("ISSUE")

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications. – **Not Applicable at the time of In Principle approval. Details will be provided at the time of relevant Key Information Document.**

2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications, WE CONFIRM that:

   a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed. - **Not Applicable at the time of In Principle approval. Details will be provided at the time of relevant Key Information Document.**

   b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies). - **Not Applicable at the time of In Principle approval. Details will be provided at the time of relevant Key Information Document.**

   c) The Issuer has made all the relevant disclosures about the security and also its continued obligations towards the holders of debt securities. - **Not Applicable at the time of In Principle approval. Details will be provided at the time of relevant Key Information Document.**

   d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document/ placement memorandum and all disclosures made in the offer document/ placement memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement. -- **Not Applicable at the time of In Principle approval. Details will be provided at the time of relevant Key Information Document.**

   e) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document/ placement memorandum. - **Not**

Registered Office:
Axis House, P B Marg, Worli, Mumbai, Maharashtra, India, 400025
Corporate Office:
Delhi Office, 2nd Floor, Plot No. 25, Pusa Road, Karol Bagh, New Delhi - 110005
Tel No: 011 43556440 Email Id - debenturetrustee@axistrustee.in Website - www.axistrustee.in
Corporate Identify Number: U74999MH2008PLC182264 | **MSME Registered UAN:** MH19O046029

AXIS TRUSTEE

Applicable at the time of In Principle approval. Details will be provided at the time of relevant Key Information Document.

f) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application. **- Not Applicable at the time of In Principle approval. Details will be provided at the time of relevant Key Information Document.**

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

Place: Delhi
Date ;- 11.02.2026
For Axis Trustee Services Limited

.....
Authorized Signatory
Name: Subhash Jha
Designation: DGM

Registered Office:
Axis House, P B Marg, Worli, Mumbai, Maharashtra, India, 400025
Corporate Office:
Delhi Office, 2nd Floor, Plot No. 25, Pusa Road, Karol Bagh, New Delhi - 110005
Tel No: 011 43556440 Email id - debenturetrustee@axistrustee.in Website - www.axistrustee.in
Corporate Identify Number: U74999MH2008PLC182264 | **MSME Registered UAN:** MH19004602

AXIS TRUSTEE

ANNEXURE 10: CONSENT LETTER OF REGISTRAR AND TRANSFER AGENT

Health & Wealth
We Manage Both

Alankit ASSIGNMENTS LIMITED

February 2, 2026

Shriram Pistons & Rings Limited

3rd Floor, Himalaya House, 23,
Kasturba Gandhi Marg,
New Delhi, India, 110001

Dear Ma'am/Sir

Subject : Proposed issuance of listed, secured, rated, redeemable, non-convertible debentures ("Debentures") by way of private placement ("Issue") by Shriram Pistons & Rings Limited ("Company")

We, the undersigned, hereby consent to act as the 'Registrar' to the Issue and to our name being inserted as the 'Registrar' to the Issue in the general information document ("**General Information Document**") and relevant key information document ("**Key Information Document**") to be filed with the BSE Limited ("**BSE**") and/or National Stock Exchange of India Limited ("**NSE**" together with BSE, the "**Stock Exchange(s)**") and also in all related communications sent pursuant to the Issue. The following details with respect to us may be disclosed:

Name	**ALANKIT ASSIGNMENTS LIMITED**
Address	205-208, ANARKALI COMPLEX, JHANDEWALAN EXTENTION, NEW DELHI -110 055, INDIA
Tel:	+91-11 4254 1234
Fax:	+91-11 4254 1201
E-mail:	Jksingla@alankit.com
Contact Person:	Mr. JK Singla
Website:	www.alankitassignment.com
Logo:	Alankit

ALANKIT ASSIGNMENTS LIMITED Alankit NEW DELHI

Health & Wealth
We Manage Both

Alankit ASSIGNMENTS LIMITED

We confirm that we are registered with the Securities and Exchange Board of India ("**SEBI**") and that such registration is valid as on the date of this letter.

We also confirm that we have not been prohibited by SEBI to act as an intermediary in capital market issues.

We also agree to keep strictly confidential, until such time as the proposed transaction is closed, (i) the nature and scope of this transaction; and (ii) our knowledge of the proposed transaction of the Company.

We confirm that we will immediately inform the Company of any change to the above information until the date when the Debentures commence trading on the Stock Exchange(s). In the absence of any such communication from us, the above information should be taken as updated information until the Debentures commence trading.

This letter may be relied upon by you, the investors, and the legal counsel to the Issue in respect of the Issue.

Sincerely

For **ALANKIT ASSIGNMENTS LIMITED**

ALANKIT ASSIGNMENTS LIMITED NEW DELHI

Name: Harish Agrawal
Designation: Executive Director

CC:

Khaitan & Co

One World Centre
10th, 13th and 14th Floor, Tower 1C,
Senapati Bapat Marg,
Mumbai 400 013
Maharashtra, India

CIN : U74210DL1991PLC042569
Registered Office : 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi -110055, India
Corporate Office : Alankit House, 4E/2, Jhandewalan Extension, New Delhi -110055, India
Phone : +91-11-4254 1234 / 2354 1234 | **Fax :** +91-11-2355 2001 | **Website :** www.alankit.com | **email :** info@alankit.com

SEBI Registration Nos.- INZ000193033, INP000001363, IN-DP-NSDL-14-96, IN-DP-CDSL-43-99, INR000002532
Member: NSE & BSE; Portfolio Manager; DP: NSDL & CDSL; Registrar & Transfer Agent, ARN No. 2027; PFRDA: 03110

APPENDIX 1

General information about company	
Scrip code	544344
NSE Symbol	SHRIPISTON
MSEI Symbol	NOTLISTED
ISIN	INE526E01018
Name of the company	SHRIRAM PISTONS & RINGS LIMITED
Whether company is SME	No
Class of Security	Equity Shares
Type of report	Quarterly
Quarter Ended / Half year ended/Date of Report (For Prelisting / Allotment)	31-12-2025
Date of allotment / extinguishment (in case Capital Restructuring selected) / Listing Date	
Shareholding pattern filed under	Regulation 31 (1) (b)
Whether the listed entity is Public Sector Undertaking (PSU)?	No

Declaration

Sr. No.	Particular	Yes/No	Promoter and Promoter Group	Public shareholder	Non Promoter- Non Public
1	Whether the Listed Entity has issued any partly paid up shares?	No	No	No	No
2	Whether the Listed Entity has issued any Convertible Securities ?	No	No	No	No
3	Whether the Listed Entity has issued any Warrants ?	No	No	No	No
4	Whether Listed Entity has granted any ESOPs, which are outstanding?	No	No	No	No
5	Whether the Listed Entity has any shares against which depository receipts are issued?	No	No	No	No
6	Whether the Listed Entity has any shares in locked-in?	No	No	No	No
7	Whether any shares held by promoters are encumbered under "Pledged"?	No	No		
8	Whether any shares held by promoters are encumbered under "Non-Disposal Undertaking"?	No	No		
9	Whether any shares held by promoters are encumbered, other than by way of Pledge or NDU, if any?	No	No		
10	Whether company has equity shares with differential voting rights?	No	No	No	No
11	Whether the listed entity has any significant beneficial owner?	Yes			

Table VI - Statement showing foreign ownership limits

Particular	Approved limits (%)	Limits utilized (%)
As on shareholding date	100	27.92
As on the end of previous 1st quarter	100	27.29
As on the end of previous 2nd quarter	100	27.18
As on the end of previous 3rd quarter	100	26.6
As on the end of previous 4th quarter	100	25.8

Table I - Summary Statement holding of specified securities

Category (I)	Category of shareholder	Nos. Of shareholders	No. of fully paid up	No. Of Partly	No. Of shares underlying	Total nos. shares held	Shareholding as a % of total no. of	Number of Voting Rights held in each class of securities (IX)	No. Of Shares Underlying	No. of Shares Underlying	No. Of Outstanding	No. of Shares Underlying	Total No. of shares on fully diluted

	(II)	(III)	equity shares held (IV)	paid-up equity shares held (V)	Depository Receipts (VI)	(VII) = (IV)+(V)+ (VI)	shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	No of Voting (XIV) Rights			Total as a % of (A+B+C)	Outstanding convertible securities (XA)	Outstanding Warrants (XB)	ESOP Granted (XC)	Outstanding convertible securities, No. of Warrants and ESOP etc. (X) = (XA+XB+XC)	basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)
								Class eg:X	Class eg:Y	Total						
(A)	Promoter & Promoter Group	10	19273106			19273106	43.75	19273106		19273106	43.75					19273106
(B)	Public	49216	24776718			24776718	56.25	24776718		24776718	56.25					24776718
(C)	Non Promoter-Non Public															
(C1)	Shares underlying DRs															
(C2)	Shares held by Employee Trusts															
	Total	49226	44049824			44049824	100	44049824		44049824	100					44049824

Table I - Summary Statement holding of specified securities

Category (I)	Category of shareholder (II)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XIII)		Number of Shares pledged (XIV)		Non-Disposal Undertaking (XV)		Other encumbrances, if any (XVI)		Total Number of Shares encumbered (XVII) = (XIV+XV+XVI)		Number of equity shares held in dematerialized form (XVIII)	Sub-categorization of shares		
			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(A)	Promoter & Promoter Group	43.75											19273106			
(B)	Public	56.25											24774540	0	0	0
(C)	Non Promoter-Non Public															
(C1)	Shares underlying DRs															
(C2)	Shares held by Employee Trusts															
	Total	100											44047646	0	0	0

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Sr. No.	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. Of Shares Underlying Outstanding convertible securities (XA)	No. of Shares Underlying Outstanding Warrants (XB)	No. Of Outstanding ESOP Granted (XC)	No. of Shares Underlying Outstanding convertible securities, No. of Warrants and ESOP etc. (X) = (XA+XB+XC)	Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)
								No of Voting (XIV) Rights			Total as a % of Total Voting rights					
								Class eg: X	Class eg:Y	Total						
A	Table II - Statement showing shareholding pattern of the Promoter and Promoter Group															

(1)	Indian															
(a)	Individuals/Hindu undivided Family	6	13696800			13696800	31.09	13696800		13696800	31.09					13696800
(d)	Any Other (specify)	4	5576306			5576306	12.66	5576306		5576306	12.66					5576306
Sub-Total (A)(1)		10	19273106			19273106	43.75	19273106		19273106	43.75					19273106
(2)	Foreign															
Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		10	19273106			19273106	43.75	19273106		19273106	43.75					19273106
B	Table III - Statement showing shareholding pattern of the Public shareholder															
(1)	Institutions (Domestic)															
(a)	Mutual Funds	11	1910205			1910205	4.34	1910205		1910205	4.34					1910205
(c)	Alternate Investment Funds	15	1766924			1766924	4.01	1766924		1766924	4.01					1766924
(e)	Insurance Companies	2	2028784			2028784	4.61	2028784		2028784	4.61					2028784
(i)	NBFCs registered with RBI	1	80600			80600	0.18	80600		80600	0.18					80600
Sub-Total (B)(1)		29	5786513			5786513	13.14	5786513		5786513	13.14					5786513
(2)	Institutions (Foreign)															
(d)	Foreign Portfolio Investors Category I	81	2766996			2766996	6.28	2766996		2766996	6.28					2766996
(e)	Foreign Portfolio Investors Category II	14	151048			151048	0.34	151048		151048	0.34					151048
Sub-Total (B)(2)		95	2918044			2918044	6.62	2918044		2918044	6.62					2918044
(3)	Central Government / State Government(s)															
(4)	Non-institutions															
(f)	Investor Education and Protection Fund (IEPF)	1	36519			36519	0.08	36519		36519	0.08					36519
(g)	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	45748	4158866			4158866	9.44	4158866		4158866	9.44					4158866
(h)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	20	746411			746411	1.69	746411		746411	1.69					746411
(i)	Non Resident Indians (NRIs)	1577	276575			276575	0.63	276575		276575	0.63					276575
(l)	Bodies Corporate	579	992232			992232	2.25	992232		992232	2.25					992232
(m)	Any Other (specify)	1167	9861558			9861558	22.39	9861558		9861558	22.39					9861558
Sub-Total (B)(4)		49092	16072161			16072161	36.49	16072161		16072161	36.49					16072161
Total Public Shareholding		49216	24776718			24776718	56.25	24776718		24776718	56.25					24776718

(B)=(B)(1)+(B)(2)+(B)(3)+(B)(4)																	
C	Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder																
Total (A+B+C2)		49226	44049824			44049824	100	44049824		44049824	100					44049824	
Total (A+B+C)		49226	44049824			44049824	100	44049824		44049824	100					44049824	

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Sr. No.	Category & Name of the Shareholders (I)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XIII)		Number of Shares pledged (XIV)		Non-Disposal Undertaking (XV)		Other encumbrances, if any (XVI)		Total Number of Shares encumbered (XVII) = (XIV+XV+XVI)		Number of equity shares held in dematerialized form (XVIII)	Sub-categorization of shares		
			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
A	Table II - Statement showing shareholding pattern of the Promoter and Promoter Group															
(1)	Indian															
(a)	Individuals/Hindu undivided Family	31.09											13696800			
(d)	Any Other (specify)	12.66											5576306			
Sub-Total (A)(1)		43.75											19273106			
(2)	Foreign															
Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		43.75											19273106			
B	Table III - Statement showing shareholding pattern of the Public shareholder															
(1)	Institutions (Domestic)															
(a)	Mutual Funds	4.34											1910205	0	0	0
(c)	Alternate Investment Funds	4.01											1766924	0	0	0
(e)	Insurance Companies	4.61											2028784	0	0	0
(i)	NBFCs registered with RBI	0.18											80600	0	0	0
Sub-Total (B)(1)		13.14											5786513	0	0	0
(2)	Institutions (Foreign)															
(d)	Foreign Portfolio Investors Category I	6.28											2766996	0	0	0
(e)	Foreign Portfolio Investors Category II	0.34											151048	0	0	0
Sub-Total (B)(2)		6.62											2918044	0	0	0
(3)	Central Government / State Government(s)															
(4)	Non-institutions															
(f)	Investor Education and Protection Fund (IEPF)	0.08											36519	0	0	0
(g)	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	9.44											4156688	0	0	0

(h)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	1.69											746411	0	0	0
(i)	Non Resident Indians (NRIs)	0.63											276575	0	0	0
(l)	Bodies Corporate	2.25											992232	0	0	0
(m)	Any Other (specify)	22.39											9861558	0	0	0
Sub-Total (B)(4)		36.49											16069983	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)+(B)(4)		56.25											24774540	0	0	0
C	Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder															
Total (A+B+C2)		100											44047646			
Total (A+B+C)		100											44047646			

Disclosure of notes on shareholding pattern	Textual Information(1)

Text Block	
Textual Information(1)	As on Q.E. June 30, 2025: 1. Luv D. Shriram and Meenakshi Dass jointly held 60,07,362 (13.64%) shares as Trustees of Deepak Shriram Family Benefit Trust(DSFBT). Luv D. Shriram also holds 10,900 (0.02%) shares in his name. Accordingly, his shareholding as Trustee of DSFBT and his individual shareholding was consolidated on Luv D. Shriram's PAN Basis i.e. ABBPS9860J as 60,18,262 shares in consonance with the Register of members. 2. Meenakshi Dass and Luv D. Shriram jointly held 60,07,362 (13.64%) shares as Trustees of DSFBT. Meenakshi Dass also holds 16,69,440 (3.79%) shares in her name. Accordingly, her shareholding as Trustee of DSFBT and her individual shareholding was consolidated on Meenakshi Dass's PAN Basis i.e. AAJPD9324P as 76,76,802 shares in consonance with the Register of members. However, during the Q.E. September 30, 2025, the shareholding of DSFBT (60,07,362 + 60,07,362 = 1,20,14,724 shares) held through its trustees i.e. Luv D. Shriram and Meenakshi Dass jointly, has now been consolidated under its own PAN i.e. AAATD6816B. The register of members has been updated accordingly. There is no change in their individual shareholdings and same have been mentioned against their respective PANs.

Individuals/Hindu undivided Family						
Sr. No.	1	2	3	4	5	6
Name of the Shareholders (I)	Luv D. Shriram	Meenakshi Dass	Nandishi Shriram	Kush D. Shriram	Luv Deepak Shri Ram and Kush D. Shriram as Trustees of NAK Benefit Trust	Luv D Shriram and Meenakshi Dass as Trustees of Deepak Shriram Family Benefit Trust
PAN (II)						
No. of fully paid up equity shares held (IV)	10900	1669440	1730	2	4	12014724
Total nos. shares held (VII) = (IV)+(V)+ (VI)	10900	1669440	1730	2	4	12014724
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	0.02	3.79	0	0	0	27.28
Number of Voting Rights held in each class of securities (IX)						
Class eg:X	10900	1669440	1730	2	4	12014724
Total	10900	1669440	1730	2	4	12014724
Total as a % of Total Voting rights	0.02	3.79	0	0	0	27.28
Total No. of shares on fully diluted basis (including warrants and Convertible Securities etc.) (XI)=(VII+X)	10900	1669440	1730	2	4	12014724
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	0.02	3.79	0	0	0	27.28
Number of equity shares held in dematerialized form (XVIII)	10900	1669440	1730	2	4	12014724

Reason for not providing PAN						
Reason for not providing PAN						
Shareholder type	Promoter	Promoter	Promoter	Promoter Group	Promoter	Promoter

Individuals/Hindu undivided Family	
Sr. No.	
Name of the Shareholders (I)	Click here to go back
PAN (II)	Total
No. of fully paid up equity shares held (IV)	13696800
Total nos. shares held (VII) = (IV)+(V)+ (VI)	13696800
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	31.09
Number of Voting Rights held in each class of securities (IX)	
Class eg:X	13696800
Total	13696800
Total as a % of Total Voting rights	31.09
Total No. of shares on fully diluted basis (including warrants and Convertible Securities etc.) (XI)=(VII+X)	13696800
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	31.09
Number of equity shares held in dematerialized form (XVIII)	13696800
Reason for not providing PAN	
Reason for not providing PAN	
Shareholder type	

Any Other (specify)					
Sr. No.	1	2	3	4	
Category	Bodies Corporate	Bodies Corporate	Bodies Corporate	Bodies Corporate	Click here to go back
Name of the Shareholders (I)	MANISHA COMMERCIAL PRIVATE LIMITED	SARVA COMMERCIAL PVT LTD	SERA COM PRIVATE LTD.	SHABNAM COMMERCIAL PVT LTD	
PAN (II)					Total
No. of the Shareholders (I)	1	1	1	1	4
No. of fully paid up equity shares held (IV)	1335958	2133160	1900794	206394	5576306
Total nos. shares held (VII) = (IV)+(V)+ (VI)	1335958	2133160	1900794	206394	5576306
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	3.03	4.84	4.32	0.47	12.66
Number of Voting Rights held in each class of securities (IX)					
Class eg: X	1335958	2133160	1900794	206394	5576306
Total	1335958	2133160	1900794	206394	5576306
Total as a % of Total Voting rights	3.03	4.84	4.32	0.47	12.66
Total No. of shares on fully diluted basis (including warrants and Convertible Securities etc.) (XI)=(VII+X)	1335958	2133160	1900794	206394	5576306
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	3.03	4.84	4.32	0.47	12.66

Number of equity shares held in dematerialized form (XVIII)	1335958	2133160	1900794	206394	5576306	
Reason for not providing PAN						
Reason for not providing PAN						
Shareholder type	Promoter	Promoter	Promoter	Promoter		

Mutual Funds		
Sr. No.	1	
Name of the Shareholders (I)	DSP SMALL CAP FUND	Click here to go back
PAN (II)		Total
No. of fully paid up equity shares held (IV)	1081165	1081165
Total nos. shares held (VII) = (IV)+(V)+ (VI)	1081165	1081165
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	2.45	2.45
Number of Voting Rights held in each class of securities (IX)		
Class eg: X	1081165	1081165
Total	1081165	1081165
Total as a % of Total Voting rights	2.45	2.45
Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)	1081165	1081165
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	2.45	2.45
Number of equity shares held in dematerialized form (XIV)	1081165	1081165
Reason for not providing PAN		
Reason for not providing PAN		
Sub-categorization of shares		
Shareholding (No. of shares) under		
Sub-category (i)	0	0
Sub-category (ii)	0	0
Sub-category (iii)	0	0

Alternate Investment Funds		
Sr. No.	1	
Name of the Shareholders (I)	ABAKKUS EMERGING OPPORTUNITIES FUND-1	Click here to go back
PAN (II)		Total
No. of fully paid up equity shares held (IV)	455450	455450
Total nos. shares held (VII) = (IV)+(V)+ (VI)	455450	455450
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	1.03	1.03
Number of Voting Rights held in each class of securities (IX)		
Class eg: X	455450	455450
Total	455450	455450
Total as a % of Total Voting rights	1.03	1.03
Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)	455450	455450
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	1.03	1.03

Number of equity shares held in dematerialized form (XIV)	455450	455450	
Reason for not providing PAN			
Reason for not providing PAN			
Sub-categorization of shares			
Shareholding (No. of shares) under			
Sub-category (i)	0	0	
Sub-category (ii)	0	0	
Sub-category (iii)	0	0	

Foreign Portfolio Investors Category I			
Sr. No.	1	2	
Name of the Shareholders (I)	AL MEHWAR COMMERCIAL INVESTMENTS L.L.C. - (NOOSA)	THELEME INDIA MASTER FUND LIMITED	Click here to go back
PAN (II)			Total
No. of fully paid up equity shares held (IV)	765562	826882	1592444
Total nos. shares held (VII) = (IV)+(V)+ (VI)	765562	826882	1592444
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	1.74	1.88	3.62
Number of Voting Rights held in each class of securities (IX)			
Class eg: X	765562	826882	1592444
Total	765562	826882	1592444
Total as a % of Total Voting rights	1.74	1.88	3.62
Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)	765562	826882	1592444
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	1.74	1.88	3.62
Number of equity shares held in dematerialized form (XIV)	765562	826882	1592444
Reason for not providing PAN			
Reason for not providing PAN			
Sub-categorization of shares			
Shareholding (No. of shares) under			
Sub-category (i)	0	0	0
Sub-category (ii)	0	0	0
Sub-category (iii)	0	0	0

Insurance Companies			
Sr. No.	1	2	
Name of the Shareholders (I)	LICI ASM NON PAR	NATIONAL INSURANCE COMPANY LTD	Click here to go back
PAN (II)			Total
No. of fully paid up equity shares held (IV)	692578	1336206	2028784
Total nos. shares held (VII) = (IV)+(V)+ (VI)	692578	1336206	2028784
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	1.57	3.03	4.61

Number of Voting Rights held in each class of securities (IX)			
Class eg: X	692578	1336206	2028784
Total	692578	1336206	2028784
Total as a % of Total Voting rights	1.57	3.03	4.61
Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)	692578	1336206	2028784
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	1.57	3.03	4.61
Number of equity shares held in dematerialized form (XIV)	692578	1336206	2028784
Reason for not providing PAN			
Reason for not providing PAN			
Sub-categorization of shares			
Shareholding (No. of shares) under			
Sub-category (i)	0	0	0
Sub-category (ii)	0	0	0
Sub-category (iii)	0	0	0

Any Other (specify)							
Sr. No.	1	2	3	4	5	6	7
Category	Clearing Members	Employees	HUF	Trusts	LLP	Overseas Corporate Bodies	Overseas Corporate Bodies
Category / More than 1 percentage	Category	Category	Category	Category	Category	Category	More than 1 percentage of shareholding
Name of the Shareholders (I)							RIKEN CORPORATION
PAN (II)							
No. of the Shareholders (I)	23	7	1043	3	89	1	1
No. of fully paid up equity shares held (IV)	178176	547	174411	13822	106635	9384114	9384114
Total nos. shares held (VII) = (IV)+(V)+ (VI)	178176	547	174411	13822	106635	9384114	9384114
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	0.4	0	0.4	0.03	0.24	21.3	21.3
Number of Voting Rights held in each class of securities (IX)							
Class eg: X	178176	547	174411	13822	106635	9384114	9384114
Total	178176	547	174411	13822	106635	9384114	9384114
Total as a % of Total Voting rights	0.4	0	0.4	0.03	0.24	21.3	21.3
Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)	178176	547	174411	13822	106635	9384114	9384114
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	0.4	0	0.4	0.03	0.24	21.3	21.3
Number of equity shares held in dematerialized form (XIV)	178176	547	174411	13822	106635	9384114	9384114
Reason for not providing PAN							
Reason for not providing PAN							
Sub-categorization of shares							
Sub-category (i)	0	0	0	0	0	0	0
Sub-category (ii)	0	0	0	0	0	0	0
Sub-category (iii)	0	0	0	0	0	0	0

Any Other (specify)		
Sr. No.	8	
Category	Unclaimed or Suspense or Escrow Account	
Category / More than 1 percentage	Category	
Name of the Shareholders (I)		Click here to go back
PAN (II)		Total
No. of the Shareholders (I)	1	1167
No. of fully paid up equity shares held (IV)	3853	9861558
Total nos. shares held (VII) = (IV)+(V)+ (VI)	3853	9861558
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	0.01	22.38
Number of Voting Rights held in each class of securities (IX)		
Class eg: X	3853	9861558
Total	3853	9861558
Total as a % of Total Voting rights	0.01	22.38
Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) (XI)=(VII+X)	3853	9861558
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	0.01	22.38
Number of equity shares held in dematerialized form (XIV)	3853	9861558
Reason for not providing PAN		
Reason for not providing PAN		
Sub-categorization of shares		
Shareholding (No. of shares) under		
Sub-category (i)	0	0
Sub-category (ii)	0	0
Sub-category (iii)	0	0

Significant Beneficial Owners

Sr. No.	Details of the SBO					Details of the registered owner					Details of holding/ exercise of right of the SBO in the reporting company, whether direct or indirect*:					Date of creation / acquisition of significant beneficial interest
											Whether by virtue of:					
	Name	PAN	Passport No. in case of a foreign national	Nationality	Nationality (Applicable in case of Any other is selected)	Name	PAN	Passport No. in case of a foreign national	Nationality	Nationality (Applicable in case of Any other is selected)	Shares	Voting rights	Rights on distributable dividend or any other distribution	Exercise of control	Exercise of significant influence	
1	Meenakshi Dass			India		Meenakshi Dass			India		3.79	3.79	3.79	No	No	03-02-2010
2	Meenakshi Dass			India		Sarva Commercial Pvt Ltd			India		4.84	4.84	4.84	No	No	01-01-2002
3	Meenakshi Dass			India		Deepak Shriram Family Benefit Trust			India		27.28	27.28	27.28	No	No	02-12-2005
4	Meenakshi Dass			India		Shabnam Commercial Pvt Ltd			India		0.47	0.47	0.47	No	No	01-01-2002

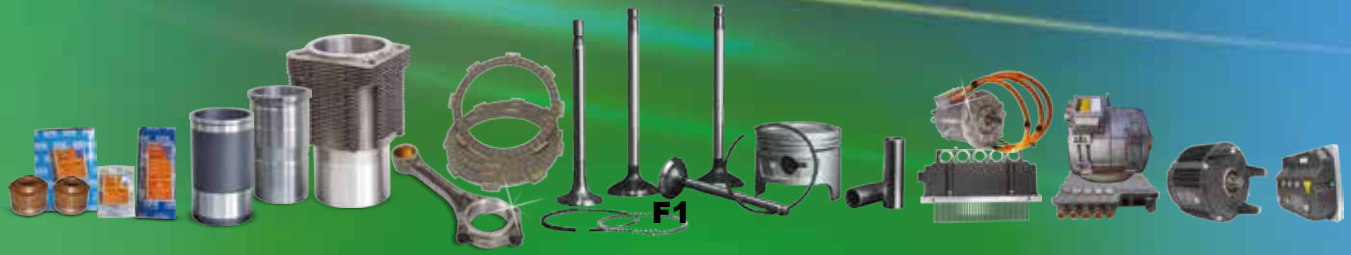
5	Meenakshi Dass			India		Sera Com Private Ltd.			India		4.32	4.32	4.32	No	No	01-01-2002
6	Meenakshi Dass			India		Manisha Commercial Private Limited			India		3.03	3.03	3.03	No	No	01-01-2002
										Total:	**43.73**	**43.73**	**43.73**			
7	Luv D. Shriram			India		Luv D. Shriram			India		0.02	0.02	0.02	No	No	09-11-2021
8	Luv D. Shriram			India		Deepak Shriram Family Benefit Trust			India		27.28	27.28	27.28	No	No	02-12-2005
9	Luv D. Shriram			India		Sera Com Private Ltd.			India		4.32	4.32	4.32	No	No	01-01-2002
10	Luv D. Shriram			India		Manisha Commercial Private Limited			India		3.03	3.03	3.03	No	No	01-01-2002
11	Luv D. Shriram			India		Sarva Commercial Pvt Ltd			India		4.84	4.84	4.84	No	No	01-01-2002
12	Luv D. Shriram			India		Shabnam Commercial Pvt Ltd			India		0.47	0.47	0.47	No	No	01-01-2002
										Total:	**39.96**	**39.96**	**39.96**			

SHRIRAM®

SHRIRAM PISTONS & RINGS LTD.

59TH ANNUAL REPORT
2022-23

SPEEDING TO A NEW ERA OF MOBILITY



EMBRACING TECHNOLOGICAL MILESTONES
WHERE INNOVATION BREATHES LIFE

Dr. Charat Ram
(1918- 2007)

Dr. Charat Ram, a pillar and visionary in the Indian business sector, played a significant role in shaping its development. He was not only the face of the Indian industry but also associated with a number of companies, institutions promoting art & education and industry bodies leaving a lasting impact on the nation's entrepreneurial landscape.

Driven by his relentless pursuit of excellence and his commitment to promoting professional management, he meticulously built up several successful companies, including DCM, Shriram Pistons & Rings Ltd, Usha International and Shriram Industrial Enterprises Ltd. (SIEL). In fact, Dr. Charat Ram made history by bringing the Honda Genset and Honda Car to India under joint ventures. By establishing this joint venture, Dr. Charat Ram expanded his business empire and contributed to the growth and development of the Indian automotive industry.

Building upon Dr. Charat Ram's legacy, Shriram Pistons & Rings (SPR) has emerged as a prominent Indian manufacturer of automotive components, renowned for its commitment to innovation and excellence. With a rich heritage spanning over 50 years, SPR continues to embrace new and cutting-edge technologies in the auto components industry. The organization's governance practices prioritize transparency, accountability, and responsible leadership, aiming to create long-term value for stakeholders while positively contributing to society and the environment.

SPR owes its success to six fundamental principles that serve as the driving force behind its operations. These principles encompass fostering core organizational values, implementing the OTTT (Openness, Transparency, Trust and Teamwork) Framework, continuously challenging the status quo to achieve continuous improvement, cultivating a culture of learning, prioritizing execution, and valuing and motivating performance at every level. It is through the relentless pursuit of these principles that SPR has established itself as an industry frontrunner, consistently delivering high-quality products and setting new benchmarks for success.

As a testament to its achievements, SPR has garnered widespread recognition within the automotive industry, receiving numerous prestigious awards and accolades, including the highly esteemed Golden Peacock Award for Excellence in Corporate Governance. As the company celebrates its Golden Jubilee, it stands on a solid foundation, poised to embark on a future filled with even more incredible accomplishments. With an unwavering commitment to innovation, growth, and excellence, SPR looks forward to many more years of success in the ever-evolving automotive landscape.

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CORPORATE OVERVIEW

Board of Directors

Shri Pradeep Dinodia	- Chairman
Shri Hari S. Bhartia	
Ms. Ferida Chopra	
Ms. Meenakshi Dass	
Shri Alok Ranjan	
Shri Klaus Semke	
Shri Inderdeep Singh	
Shri Shinichi Unno	
Shri Masaaki Yamaguchi	
Shri Krishnakumar Srinivasan	- Managing Director & CEO
Shri Luv D. Shriram	- Wholetime Director
Shri Yasunori Maekawa	- Alternate Director to Shri Masaaki Yamaguchi
Shri Sascha Putz	- Alternate Director to Shri Klaus Semke

Leadership Team

Shri Krishnakumar Srinivasan	- Managing Director & CEO
Shri Luv D. Shriram	- Whole Time Director
Shri Devendra Mishra	- Executive Director
Shri Sandeep Kalia	- Executive Director
Shri Sandeep Agrawal	- Executive Director & Chief Marketing Officer
Shri Rajan Nanda	- Executive Director
Ms. Poonam Bharti	- Executive Director & Chief HR Officer
Shri Prem Prakash Rathi	- Executive Director & CFO
Shri Arun Kumar Shukla	- Executive Director
Shri Atul K. Khanapurkar	- Dy. Executive Director
Shri Dharmendra Singh	- Dy. Executive Director
Shri Ashok Sinha	- Dy. Executive Director
Shri Pankaj Gupta	- Company Secretary
Shri Prashant Khairnar	- Chief Digital Officer
Shri Pankaj Kumar Jain	- Chief Quality Officer

Corporate Overview Cont ...

Technical Collaborators

KS Kolbenschmidt GmbH, Germany

Riken Corporation, Japan

Honda Foundry Co. Ltd., Japan

Fuji Oozx Inc., Japan

Statutory Auditors

Deloitte Haskins & Sells, Gurgaon, Haryana

Registered Office

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

Works

Industrial Area, Meerut Road, Ghaziabad (U.P.)

Industrial Area, Pathredi, District Alwar (Rajasthan)

Industrial Area, Bulandshahr Road, Ghaziabad (U.P.)

Bankers

UCO Bank

State Bank of India

Union Bank of India

Axis Bank Ltd.

HDFC Bank Ltd.

IDBI Bank Ltd.

Citibank N.A.

The Hongkong and Shanghai Banking Corporation Limited

DBS Bank India Ltd.

Canara Bank

DIRECTORS' PROFILE

Mr. Pradeep Dinodia
Chairman (Non-Executive Non Independent Director)

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

Mr. Hari S. Bhartia
Independent Director

Mr. Bhartia has been on the Board of the Company since January 2009. He graduated with a Bachelor's degree in Chemical Engineering from the Indian Institute of Technology (IIT), Delhi. He is the Co-Chairman & MD of Jubilant Pharmova Limited, Co-Chairman of Jubilant Ingrevia Limited & Jubilant FoodWorks Limited. He is a former President of the CII. He is also a member of India-USA CEO forum and India–France CEO forum. He along with Mr. Shyam S Bhartia also received the Entrepreneur of the Year Award at the AIMA Managing India Awards and the Ernst & Young Entrepreneur of the Year Award.

Ms. Ferida Chopra
Independent Director

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

Ms. Meenakshi Dass
Non- Executive Director

Ms. Dass has been on the Board of the Company since March 2009 and is one of the Promoters. She obtained a Degree in Textile Designing. She has vast experience in managing Company's affairs.

Mr. Alok Ranjan
Independent Director

Mr. Ranjan has been on the Board of the Company since March 2019. He graduated in Economics with Honours from St. Stephens College, Delhi University and obtained PGDM Degree from Indian Institute of Management, Ahmedabad. He was inducted in IAS (U.P Cadre) in 1978 and has served in various State/ Central Government Departments. He retired as Chief Secretary of Uttar Pradesh and served as Chief Advisor to Honb. Chief Minister of Uttar Pradesh & Chairman, UPSIDC.

Mr. Klaus Semke
Non- Executive Director

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

Mr. Inderdeep Singh
Independent Director

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

Mr. Shinichi Unno
Independent Director

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

Mr. Masaaki Yamaguchi
Non- Executive Director

Mr. Yamaguchi has been on the Board of the Company since April 2022. He graduated in Economics from The University of Tokyo, Faculty of Economics. He is the Managing Executive Officer of Riken Corporation and General Manager of Global Business, Operations Division and Overseas Operations Division. Mr. Yamaguchi has long & varied experience and considerable exposure to international operations.

Mr. Krishnakumar Srinivasan
Managing Director & CEO

Mr. Krishnakumar has been on the Board of the Company since February 2020. He graduated with a Bachelor's degree in Mechanical Engineering, Master's in Business Administration and PG Diploma in Export Management. He has long and varied experience of managing leadership roles with companies both in India and abroad primarily in the automotive space.

Mr. Luv D. Shriram
Whole time Director

Mr. Shriram has been on the Board of the Company since April 1, 2009 and is one of the Promoters. He graduated in B. Com. from Delhi University. He is holding Directorships in various other Companies.

Mr. Yasunori Maekawa
Alternate Director to Mr. Masaaki Yamaguchi

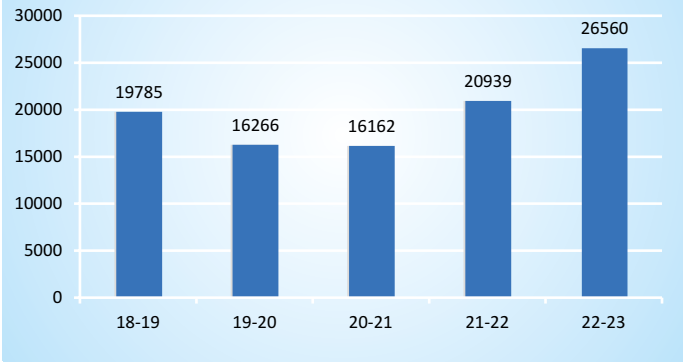
Mr. Maekawa has been on the Board of the Company since April 2022 as alternate director. Mr. Maekawa is the Representative Director, President, CEO and COO of Riken Corporation, Japan. Mr. Maekawa has long & varied experience and considerable exposure to international operations.

Mr. Sascha Putz
Alternate Director to Mr. Klaus Semke

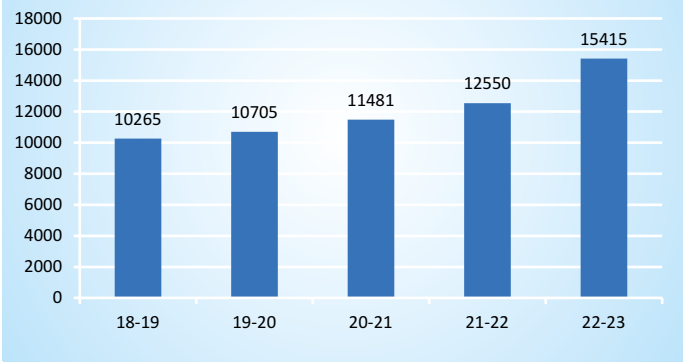
Mr. Putz has been on the Board of the Company since May 2020 and w.e.f. May 23 he is a alternate director to Mr. Klaus Semke. He obtained Diploma in Industrial/Economical Engineering and in Production/ Manufacturing Engineering. He is Chief Operating Officer (COO) of Vehicle Systems Division at Rheinmetall. Mr. Putz has long and varied experience in international operations and general management.

FINANCIAL HIGHLIGHTS

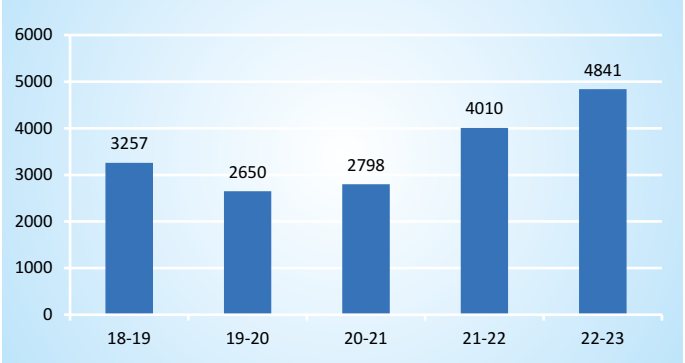
TOTAL INCOME (Mn/Rs.)



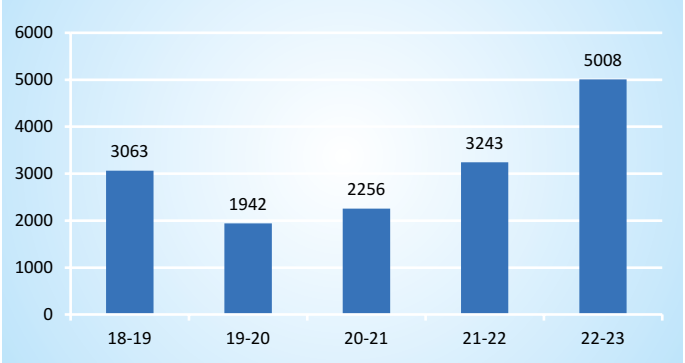
NET WORTH (Mn/Rs.)



EXPORTS (Mn/Rs.)



PBDT AFTER OCI (Mn/Rs.)



SIGNIFICANT RATIOS

Ratio	Unit	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Current ratio	Times	2.51	2.31	2.10	1.95	2.07
Debt-Equity	Times	0.19	0.11	0.11	0.08	0.07
Return on equity	%	21.02	13.61	8.00	6.97	14.28
EBITDA	%	19.77	16.49	14.96	12.79	16.57
Profit before tax (PBT)	%	15.33	10.88	7.63	5.48	10.92
Profit after tax (net profit)	%	11.46	8.08	5.65	4.63	7.22
Earning per Share (EPS)	Rs. per share	133.43	74.26	39.67	32.64	61.88

Note : The data is based on consolidated financials

WORKING RESULTS AT A GLANCE

PARTICULARS		UNIT	YEAR ENDING MARCH									
			2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Paid-up Equity Share Capital		Mn/Rs.	**220**	220	224	224	224	224	224	224	224	224
Reserves & Surplus		Mn/Rs.	**15195**	12330	11258	10481	10041	8909	7720	6730	5925	5376
Net Worth		Mn/Rs.	**15415**	12550	11481	10705	10265	9133	7944	6954	6149	5600
Gross Fixed Assets		Mn/Rs.	**21082**	19878	19139	18673	16907	15355	14803	14159	13699	13312
Total Income - Value	**- Total**	Mn/Rs.	**26560**	20939	16162	16266	19785	17544	14886	14054	12567	11735
	- Export	Mn/Rs.	**4841**	4010	2798	2650	3257	2994	2823	2737	2301	2257
Profit before depreciation and taxes (PBDT) before OCI		Mn/Rs.	**4877**	3223	2225	1895	3036	3012	2608	2239	1753	2012
Profit before depreciation and taxes (PBDT) after OCI		Mn/Rs.	**5008**	3243	2256	1942	3063	3036	2523	2233	1753	2012
Profit before taxes (PBT) before OCI		Mn/Rs.	**3930**	2202	1200	864	2092	2108	1709	1311	793	1006
Profit after tax (PAT) before OCI		Mn/Rs.	**2939**	1636	888	730	1384	1389	1181	916	573	697
Equity Dividend	- Amount	Mn/Rs.	**330**	220	134	162	270	270	189	108	94	92
	- Rate	%	**150.0**	100.0	60.0	60.0	100.0	100.0	70.0	40.0	35.0	35.0

Notes:

1. Reserves & Surplus includes Revaluation Reserve of Rs. 97.27 Million as on 31.3.2023.
2. Gross Fixed Assets are stated at historical cost and include prepayment land leases.
3. Equity dividend represents dividend declared / proposed for the respective financial year and includes dividend distribution tax, as applicable.
4. The above data is based on consolidated financials.

BOARD'S REPORT

The Directors have the pleasure of presenting the 59th Annual Report along with the first Business Responsibility and Sustainability Report (BRSR) for the year ended March 31, 2023.

Sustainability is not just a corporate responsibility but also an opportunity to create long-term value for stakeholders. The Company is committed to promote sustainable development and making a positive contribution to society.

Care for the environment is one of the core focus areas, as the Company is persistent to contribute in shaping a better future, which is safe, inclusive and sustainable.

Furthermore, the Company has designed business strategies that incorporate social well-being in everything it does.

BRSR prepared in accordance with the nine principles of 'National Guidelines on Responsible Business Conduct' (NGRBC) and SEBI Guidelines, which outlines our sustainability performance. This is backed by the solid foundation of our integral values of the Company. The Company undertakes multiple initiatives to minimize its environmental footprint and give back to society.

The Company is committed to reducing greenhouse gas emissions, promoting the use of renewable energy sources, implementing energy-efficient practices, exploring innovative technologies to reduce energy consumption and committed to become Carbon Neutral by 2045.

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

Financial & Operational Performance

During the year, the Company witnessed growth in the Sales despite the challenges posed by geopolitical situation leading to multiple supply chain challenges.

Company's revenue from operations grew by 26% from Rs. 20,647 Million (previous year) to Rs. 26,050 Million (during the year) and the total income increased by 27% from Rs. 20,939 Million (previous year) to Rs. 26,513 Million (during the year). Profit before Depreciation and Taxes [before Other Comprehensive Income (OCI)], after all interest charges but before depreciation and taxes, grew by 52% from Rs. 3,223 Million (previous year) to Rs. 4,903 Million for the year.

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

Based on the strength of its financials, the Company is well positioned to invest in various avenues for overall growth of business. The Company has already done some strategic investment into technology growth areas through SPR Engenious Limited (wholly owned subsidiary) in EMF Innovations Private Limited, which is Singapore backed electric motor design & manufacturing company. The Board has approved acquisition of 75% stake in Takahata Precision India Private Limited which manufactures a wide range of products such as automotive parts, office automation equipment parts, optical equipment parts, residential facilities parts and medical equipment parts.

The Company aims to expand its presence in Electric Vehicle space to supply Electric Powertrain Components such as Motor & Controller covering all the vehicle segments from Two Wheelers, Three Wheelers, Passenger Vehicles, Commercial Vehicles and Buses.

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

(Rs./Million)

Particulars	Financial Year ended			
	Standalone		Consolidated	
	31.3.2022	31.3.2023	31.3.2022	31.3.2023
Revenue from Operations	20,647	26,050	20,647	26,093
Other Income	292	462	292	467
Total Income	20,939	26,513	20,939	26,560
Profit/(loss) before Interest, Depreciation & Tax (EBITDA)	3,337	5,097	3,337	5,070
Profit before Depreciation and Taxes (before OCI)	3,223	4,903	3,223	4,877
Depreciation	1,020	933	1,020	939
Profit Before Tax (before OCI)	2,202	3,969	2,202	3,930
Income Tax (including for earlier years)	566	1,014	566	991
Net Profit After Tax (before OCI)	1,636	2,956	1,636	2,939
Dividend including Dividend Distribution Tax (on declared basis)	220	330	220	330
Amount transferred to General Reserve	1,082	2,735	1,082	2,714

Company's exports registered growth of almost 21% from Rs. 4,010 Million to Rs. 4,841 Million. This was due to strengthening of relationship with the existing customers, range expansion and entering new markets & product segments.

The Company continues to reap the benefit of investing in the right areas ahead of time. This helped the Company to increase its sales as the Covid pandemic abated globally and the global economy witnessed resurgence in business activity. The trend of increasing exports is expected to continue in this year as well. However, other global headwinds leading to uncertainties will be a critical factor for sales in the exports market.

The Company also improved its performance in the Aftermarket by re-designing its network strategy to increase the range and reach of its products.

The Company focuses on achieving the highest standards of quality, which has been well appreciated by all our customers.

The Company is taking persistent measures to de-risk its business as an integral part of Business Continuity Planning. The Company focuses on cost reduction by implementing affordable automation, digitization, interlinking of machines, energy conservation and productivity improvement across products, which helps the Company to remain cost competitive.

With a well-equipped Tech Centre, the Company is focusing on forward-looking technologies such as testing products for ethanol blending, solutions for hydrogen as a fuel and solutions for Non-ICE segments.

In the coming years, the Company is expected to face challenges due to the increased penetration of electric vehicles in two wheeler segment, uncertainty due to the Ukraine war and the on-going shortage of semi-conductor chips. The management is working to overcome these headwinds in the coming year and are also working diligently to find further avenues of growth for the Company.

Management is continuously focusing on the 6Ps (6 Principles) to transform the Company into a high performance organization. The 6Ps comprise of:

- Core Organization Values
- OTTT Framework
- Continuous Improvement through Challenging the Status quo,
- Creating a Learning Organization
- Culture of Execution and
- Appreciating and Motivating Performance at all levels.

Share Capital

During the year, there was no change in the authorized, issued, subscribed or paid up share capital of the Company.

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

In Annual General Meeting held on 29.6.2022, Members of the Company accorded consent, to the Board to adopt and implement ESOP 2022 and to grant options and transfer shares on exercise of such options not exceeding 2% of the paid up equity capital of the Company as at March 31, 2022, to the eligible employees. However, it was decided to hold the implementation of ESOP 2022 plan till the stabilization of the new performance management system introduced last year.

Dividend

The Directors, in their meeting held on 8.5.2023, have recommended that equity shareholders be paid a special "Golden Jubilee" Dividend @ Rs. 5 per share for the year, apart from Rs. 10/- per share already paid as interim dividend. The equity dividend would absorb Rs. 330 Million against Rs. 220 Million last year and an amount of Rs. 2735 Million be transferred to the General Reserve Account.

Dividend Distribution Policy

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("Listing Regulations") the Board of Directors of the Company had formulated and adopted the Dividend Distribution Policy ('DDP'). The Board of Directors while taking decisions for recommendations of the dividend take guidance from this policy and maintain a consistent approach to dividend pay-out plans.

The Dividend Policy is available on the Company's website viz. www.shrirampistons.com under the link "Investors' Guide" (https://shrirampistons.com/investors-guide-2/).

New Projects and Capacity Expansion

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

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

Change in the nature of business

During F.Y. 2022-23, there was no change in the nature of Company's business.

Material changes and commitment

No material change and/ or commitment affecting the financial position of the Company has occurred between 1.4.2023 and the date of signing of this Report.

Subsidiary Companies and their Annual Accounts

i. Closure of SPR International Auto Exports Limited:

SPR International Auto Exports Limited ("Subsidiary Company") was incorporated in 2005 but it could not commence any operations since then. The Board of Subsidiary Company in its meeting of 4.4.2022, resolved to make an application to the Registrar of Companies under Section 248(2) of the Companies Act, 2013 for removing the name of the Subsidiary Company from the Register of Companies.

The application was submitted on 13.9.2022. The name of the Company has been struck off by the Registrar of Companies vide Notice of Striking off and Dissolution in Form STK-7 dated 7.3.2023.

ii. Incorporation of SPR Engenious Limited:

SPR Engenious Limited has been formed as a wholly owned subsidiary ("WOS") of the Company for the purpose of diversifying its product portfolio in the area related to the automotive segment. The WOS has been incorporated with the Registrar of Companies (Delhi & Haryana) on 26.9.2022. The WOS has not commenced any operations yet, however it has started to take steps for commencement of operations.

Key Business developments:

i. Acquisition of 51% stake in EMF Innovations Private Limited ("EMFI")

The Company through its wholly owned subsidiary SPR Engenious Ltd. acquired 51% stake in the share capital (on a fully diluted basis) of EMFI (CIN: U29309TZ2016PTC027538), for a total consideration of INR 780.03 Mn.

EMFI is a Singapore backed electric motor design and manufacturing Company. EMFI is a young Technology company co-founded by engineering entrepreneurs with substantial R&D and operations in India and Singapore thereby providing localized cost effective e-mobility solutions to customers in India and abroad. EMFI has been leveraging on its strong power electronics & motors research base and extensive semi-automated manufacturing eco-system to deliver reliable EV Motors and Controllers for green mobility solutions and various other applications.

ii. Definitive Agreement to acquire 75% stake in Takahata Precision India Private Limited (TPIPL)

The Company through its wholly owned subsidiary SPR Engenious Ltd. has entered into definitive agreement to acquire 75% stake in the share capital (on a fully diluted basis) of TPIPL (CIN: U29220RJ2010FTC046888), at an Enterprise Value of INR 2,220 Mn. with adjustments for debt, debt like items and working capital to be calculated as on closing date subject to satisfactory completion of all conditions precedent.

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

Annual accounts of the Subsidiary Companies are available on Company's website and shall also be kept for inspection by any member in the Head Office & Registered Office. Copy of Annual Accounts of Subsidiary Companies would also be made available to members seeking such information.

In accordance with the Indian Accounting Standard (Ind AS-110) on consolidated financial statements, the consolidated financial statements are attached, which form part of the Annual Report.

The Policy for determining material subsidiaries is available on Company's Website viz. www.shrirampistons.com under the link "Investors' Guide"(https://shrirampistons.com/investors-guide-2/).

Board Meetings

During the year, Eight (8) meetings of the Board of Directors were held, details of which have been provided in the Report on Corporate Governance, Annexure-I to this Report.

Committees of the Board

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority.

The following Committees constituted by the Board function according to their respective roles and defined scope:

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

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

Audit Committee

As of 31.3.2023, members of the Audit Committee of the Company are Shri Inderdeep Singh (Chairman), Shri Pradeep Dinodia, Ms. Ferida Chopra and Shri Alok Ranjan.

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

Whistle Blower Policy

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

Nomination and Remuneration Policy

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

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

There was no change in the Policy during the year.

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

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

The Nomination and Remuneration Policy of the Company is available on Company's website viz. www.shrirampistons.com under the link "Investors' Guide"(https://shrirampistons.com/investors-guide-2/).

As of 31.03.2023, the number of permanent employees on rolls of the Company are 3,907.

Related Party Transactions

The Company's contracts/arrangements/transactions with related parties are in the ordinary course of business and on an arm's length basis. Thus, provisions of Section 188(1) of the Companies Act, 2013 are not applicable. During the year, the Company has not entered into any contract/ arrangement/ transaction with related parties which could be construed to be "material" in accordance with the "Policy for determining material Related Party Transactions" approved by the Board. Thus, there are no

transactions required to be reported in Form AOC-2. Details of all transactions with related parties are given in Note No. 32 of Notes forming part of Financial Statements.

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

Statutory Auditors

M/s Deloitte Haskins & Sells, Chartered Accountants, were re-appointed as Statutory Auditors of the Company for a period of five years to hold office till the conclusion of 59th Annual General Meeting (AGM) to be held in the year 2023. They have served their 2 terms and are not eligible for further appointment.

As per recommendation of the Audit Committee, the Board in its meeting held on 29.3.2023 approved appointment of M/s Walker Chandiok & Co. LLP, Chartered Accountants (Firm's Registration No. 001076N/N500013) as Statutory Auditors of the Company for a term of five consecutive years to hold office commencing from the conclusion of 59th Annual General Meeting (AGM) till the conclusion of 64th Annual General Meeting to be held in 2028, subject to the approval of the members in ensuing AGM.

Internal Financial controls and their adequacy

The Company had appointed M/s Ernst & Young, M/s Grant Thornton and M/s RSM Astute as its Internal Auditors for F.Y. 2022-23, in addition to its in house team. The Internal Control System is commensurate with the size, scale and complexity of Company's operations. The Internal Auditors report to the Chairman of the Audit Committee.

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

Reports forming part of Board's Report

Following reports which form an integral part of Boards' report are enclosed: -

1. Report on "Corporate Governance" - as per Annexure–I
2. Report on "Management Discussion and Analysis" - as per Annexure–II
3. Report on "Conservation of Energy", "Technology Absorption" and "Foreign Exchange Earning & Outgo" – as per Annexure-III
4. Data of "Employees" – as per Annexure–IV
5. "Report on CSR Activities Undertaken" – as per Annexure–V
6. "Secretarial Audit Report" – as per Annexure–VI
7. "Salient Features of Subsidiary Companies" – as per Annexure-VII

In terms of Listing Regulations, Business Responsibility & Sustainability report forms part of this Annual Report.

Disclosures on Company's website

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

1. Corporate Social Responsibility (CSR) Policy
2. Vigil Mechanism/ Whistle Blower Policy
3. Company's policy on dealing with Related Party Transactions
4. Nomination and Remuneration Policy
5. Familiarization programmes for Independent Directors
6. Policy for distribution of Dividend
7. Policy on Materiality of Events
8. Policy for determining Material Subsidiaries
9. Annual Return of the Company F.Y. 2022-23
10. Environment Protection Policy
11. Environment Social and Governance Policy

12. Equal Opportunity for Work and Pay Policy
13. Equal Opportunity Policy
14. Human Rights Policy
15. Sustainable Procurement Policy
16. Sustainable Supply Chain Policy
17. Archival Policy for disclosures of Events/Information
18. Policy on Preservation of Documents
19. Code of Practices & Procedures for Fair Disclosure of UPSI

Directors' Responsibility Statement:

The Directors confirm that: -

1. in the preparation of the annual accounts, the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and requirements of the Companies Act have been followed and there are no material departures from the same.
2. appropriate accounting policies have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as of 31st March, 2023 and of the profit of the Company for the same year.
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. the annual accounts have been prepared on a going concern basis.
5. internal financial controls are followed by the Company and are adequate and operating effectively.
6. proper and adequate systems have been devised to ensure compliance with provisions of all applicable laws and such systems are adequate and operating effectively.

Other Disclosures:

1. During the year, no fraud has been reported by the Statutory Auditors to the Audit Committee or the Board under Section 143(12) of the Companies Act, 2013.
2. No orders were passed by the Regulator(s) or Court(s) or Tribunal(s) which could impact going concern status and Company's operations in future.
3. There are no disqualifications, reservations or adverse remarks or disclaimers in the Statutory Auditors' and Secretarial Auditors' Report.
4. No Director of the Company is receiving commission from the Subsidiaries of the Company.
5. The Company has given loans and made investment in Wholly Owned Subsidiary in compliance with the provisions as contained under Section 186 of the Companies Act, 2013.
6. The Company has complied with applicable Secretarial Standards on Board Meetings and General Meetings.
7. The Company has not issued any of the following:
   i) Equity Shares with differential rights,
   ii) Sweat Equity Shares
   iii) Shares issued pursuant to Employee Stock Option Scheme or Employee Stock Purchase Scheme
8. No application has been made or proceeding is pending against the Company under the Insolvency and Bankruptcy Code (IBC), 2016.
9. Disclosure w.r.t. difference between the amounts of the valuation executed at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions is not applicable.
10. As per the provisions of the Act and in compliance with Regulation 25(10) of the Listing Regulations, the Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including Independent Directors, Officers,

Managers and Employees of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

Fixed Deposits

The Company has not renewed/accepted fixed deposits during the year. However, fixed deposits amounting to Rs. 11.33 Million accepted during the year, represents fixed deposits transferred in the name of nominee/joint holder in death cases. The fixed deposits amounting to Rs. 3.92 Million pertaining to 23 depositors remained unclaimed/ unpaid at the closing of the year. During the year, there was no default in the repayment of deposits and interest thereon. Fixed deposits accepted by the Company are in compliance with the requirements of Chapter V of the Companies Act, 2013.

Investor Education and Protection Fund

The amount lying in unpaid dividend accounts for the last seven years is Rs. 0.53 Million. Unclaimed final dividend amount of F.Y. 2015-16 is due to be transferred to the Investor Education and Protection Fund on 1.8.2023. Amount transferred to the Investor Education and Protection Fund during the year is Rs. 0.13 Million.

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

S. No.	Particulars	No. of Shareholders	No. of Shares
1	Aggregate number of Shareholders and the outstanding shares in the IEPF Authority account lying at the beginning of the year	14	17,273
2	Number of Shareholders who approached the Company for transfer of shares from IEPF Authority account during the year	NIL	NIL
3	Number of Shareholders to whom shares were transferred from IEPF Authority account during the year	NIL	NIL
4	Number of Shareholders whose shares were transferred to IEPF Authority account during the year	NIL	NIL
5	Aggregate number of Shareholders and the outstanding shares in the IEPF Authority account lying at the end of the year	14	17,273
Note: - The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares. - On 4.4.2023, 197 nos. shares pertaining to 6 shareholders have been transferred to the IEPF.			

Maintenance of Cost Records and Cost Audit

As specified by the Central Government, the Company is required to maintain Cost Records and get these records audited by a Cost Accountant.

The Company is maintaining the Cost Records. The Cost Audit Report of the Company for the year ended March 31, 2022, duly audited by M/s Chandra Wadhwa & Co., Cost Accountants, New Delhi, was submitted to the Ministry of Corporate Affairs, Government of India on 31.8.2022, within the due date of filing the said report.

On the recommendation of Audit Committee, M/s Chandra Wadhwa & Co., Cost Accountants, New Delhi (Firm Registration No. 00239), has been appointed as Cost Auditors for the F.Y. 2023-24.

Details of CSR Activities undertaken by the Company

Against the requirement of Rs. 30.90 Million during the year, the Company has spent Rs. 28.81 Million on various CSR activities and an amount of Rs. 2.09 Million has been transferred to Unspent CSR Account 2022-23 which would be incurred in following years, as per the provisions of the Companies Act, 2013. Details of initiatives taken by the Company during the year in CSR activities and composition of the CSR Committee are provided in the Report on CSR Activities undertaken by the Company in 2022-23, Annexure-V to this Report.

Risk Management Framework

The Company has developed and implemented a Risk Management Policy including identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company. The Company has also constituted a "Risk Management Committee". As of 31.03.2023, Members of the Committee are Shri Pradeep Dinodia (Chairman), Shri Inderdeep Singh, Shri Alok Ranjan, Ms. Meenakshi Dass, Shri Krishnakumar Srinivasan and Shri Luv D. Shriram.

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

The Company has zero tolerance for sexual harassment at workplace. The Company has complied with provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has in place a policy on prevention of sexual harassment at workplace. The Company has also constituted Internal Complaints Committees under the Act. No complaint was received/ pending under the above Act during the year.

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

Shri Yukio Tanemura, Non-Executive Director of the Company, resigned w.e.f. closing hours of 5.4.2022. Consequent to his resignation, Shri Kaoru Ito, Alternate Director to Shri Yukio Tanemura, also ceased to be the Director of the Company.

The Board on the recommendation of Nomination & Remuneration Committee, appointed Shri Masaaki Yamaguchi as Director in the casual vacancy caused pursuant to resignation of Shri Yukio Tanemura and Shri Yasunori Maekawa as Alternate Director to Shri Masaaki Yamaguchi w.e.f. 6.4.2022 and the same was approved by the Shareholders at the AGM held on 29.6.2022.

Shri Sascha Putz, Non-Executive Director of the Company, resigned w.e.f. closing hours of 30.4.2023.

The Board on the recommendation of Nomination & Remuneration Committee, appointed Shri Klaus Semke as Director in the casual vacancy caused pursuant to resignation of Shri Sascha Putz and Shri Sascha Putz as Alternate Director to Shri Klaus Semke w.e.f. 1.5.2023. Appointment of Shri Klaus Semke as Non-Executive Non- Independent Director of the Company shall be subject to Shareholders' approval in the ensuing AGM.

Shri Naveen Agarwal, Alternate Company Secretary superannuated w.e.f. closing hours of 28.2.2023.

Ms. Meenakshi Dass and Shri Pradeep Dinodia, Directors, retire by rotation and being eligible, offer themselves for re-appointment.

Brief resume and other details of Directors seeking appointment/re-appointment are given in the 'Notice of the Annual General Meeting'.

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

Declarations from Independent Directors

Shri Hari S. Bhartia, Ms. Ferida Chopra, Shri Alok Ranjan, Shri Inderdeep Singh and Shri Shinichi Unno are Independent Directors of the Company and have given the declarations to the Board that they meet the criteria of independence, as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and also confirmed that they have complied with the Code of Conduct of the Company. The Independent Directors have also confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

No Independent Director has resigned from the Company during the year under review.

In the opinion of the Board, Independent Directors possess relevant integrity, expertise and experiences required to perform their duties and fulfil the conditions specified in the Act and are independent of the management. Some of the Independent Directors are exempted from clearing the online proficiency test being conducted by Indian Institute of Corporate Affairs and the remaining Independent Directors are in the process of appearing for the same. They fulfil the conditions specified in the Act and are independent of the management.

Performance evaluation of Board, its Committees and Individual Directors

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

Appreciation

The Directors place on record their appreciation:

i) of the support extended to the Company by the Collaborators, the Bankers, its Business Associates and

ii) of the work of all ranks of Company's personnel during the year.

On behalf of the Board

New Delhi
May 8, 2023

(PRADEEP DINODIA)
CHAIRMAN
DIN: 00027995

ANNEXURE - I TO BOARDS' REPORT

REPORT ON CORPORATE GOVERNANCE

1.0) Company's Philosophy on Code of Governance

Corporate governance is the system, which ensures overall transparency, ethical governance and confidence of stakeholders in a company. Good Corporate Governance maximizes the value of the company and for all the stakeholders i.e. shareholders, employees, customers, suppliers, environment and community. Corporate Governance practices are the foundation for the success of enterprise and their sustainable growth.

The Company's Corporate Governance philosophy in a nutshell encompasses integrity and ethical behaviour at all levels, disclosures & transparency, operational accountability, maximizing long-term shareholders' value & protecting their interest as well as interest of all other stakeholders and commitment for environmental sustainability.

The Company ensures full compliance with the requirements of Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(Listing Regulations)**.

During the year, the Company won the **'Golden Peacock Award for Excellence in Corporate Governance – 2022'** from the prestigious Institute of Directors (IOD), India.

The Company has a strong legacy of fair, transparent and ethical governance practices and is committed to good Corporate Governance in all its activities and processes.

The Corporate Governance Report in respect of the financial year ended 31.03.2023 as per the Listing Regulations is given below:

2.0) The Board of Directors

The Company is managed and controlled through a professional Board of Directors ("Board") comprising of an optimum combination of Executive, Non-Executive and Independent Directors. The composition of the Board of the Company is in conformity with the provisions of the Listing Regulations and the Companies Act, 2013. As of 31.3.2023, the Company had 2 Executive and 9 Non-Executive Directors. Out of 9 Non-Executive Directors, 5 Directors are Independent Directors which constitute 45.46% of the total strength of the Board.

2.1) Data of Directors' Directorship in other Companies and membership in Board Committees is as under: -

Name of Directors	See Note	Category of Directors	Directorship in other Indian Public Ltd. Cos. as of 31.3.2023 (Ref. Note No. vii)	Board Committee Membership in other Indian Public Ltd. Cos. as of 31.3.2023 (Ref. Note No. viii)	
				Member	Chairman
Non-Executive Directors					
Shri Pradeep Dinodia			3	6	5
Shri Hari S. Bhartia		Independent	4	1	-
Ms. Ferida Chopra		Independent	-	-	-
Ms. Meenakshi Dass	i	Promoter	2	-	-
Shri Sascha Putz	ii		-	-	-
Shri Alok Ranjan		Independent	-	-	-
Shri Inderdeep Singh		Independent	1*	-	-
Shri Masaaki Yamaguchi	iii		-	-	-
Shri Yasunori Maekawa (Alternate Director to Shri Masaaki Yamaguchi)	iv		-	-	-
Shri Shinichi Unno		Independent	-	-	-
Shri Yukio Tanemura	v		-	-	-

Name of Directors	See Note	Category of Directors	Directorship in other Indian Public Ltd. Cos. as of 31.3.2023 (Ref. Note No. vii)	Board Committee Membership in other Indian Public Ltd. Cos. as of 31.3.2023 (Ref. Note No. viii)	
				Member	Chairman
Shri Kaoru Ito (Alternate Director to Shri Yukio Tanemura)	vi		-	-	-
Executive Directors:					
Shri Luv D. Shriram (Whole Time Director)	i	Promoter	1	-	-
Shri Krishnakumar Srinivasan (Managing Director & CEO)			2#	-	-

i. Ms. Meenakshi Dass and Shri Luv D. Shriram are related to each other and are promoters of the Company.

ii. Shri Sascha Putz, resigned w.e.f. 30.4.2023 and appointed as Alternate Director to Shri Klaus Semke w.e.f. 1.5.2023.

iii. Shri Masaaki Yamaguchi was appointed as Director in a casual vacancy caused pursuant to the resignation of Shri Yukio Tanemura w.e.f. 6.4.2022.

iv. Shri Yasunori Maekawa was appointed as Alternate Director to Shri Masaaki Yamaguchi w.e.f. 6.4.2022.

v. Shri Yukio Tanemura, Non-Executive Director of the Company, resigned w.e.f. 5.4.2022.

vi. Consequent to the resignation of Shri Yukio Tanemura, Shri Kaoru Ito, Alternate Director to Shri Yukio Tanemura, also ceased to be the Director of the Company w.e.f. 5.4.2022.

vii. Directorships in other Companies of Directors exclude Companies formed under Section 8 of the Companies Act, 2013.

viii. For calculating Board Committee membership/chairmanship, only the Audit Committee and the Stakeholders' Relationship Committee membership/chairmanship of Indian Public Limited Companies have been considered.

ix. As of 31.3.2023, there is no Nominee Director on the Board of the Company.

** Company under Voluntary winding up.*

 # includes directorship in one deemed public company.

2.2) Number of Board Meetings

During the financial year ended 31.3.2023, the Board of Directors met Eight (8) times i.e. 5.4.2022, 6.5.2022, 29.6.2022, 4.8.2022, 1.11.2022, 15.12.2022, 8.2.2023 and 29.3.2023. The maximum time gap between any two consecutive meetings was less than 120 days.

Attendance of the Board Members at the Board Meetings held during the financial year 2022-23 and the last Annual General Meeting of the Company is given herein below:

S. No.	Name of Director	Number of Board Meetings		Attendance at AGM held on 29.6.2022
		Held	Attended	
i	Shri Pradeep Dinodia	8	8	Yes
ii	Shri Hari S. Bhartia	8	2	No
iii	Ms. Ferida Chopra	8	8	Yes
iv	Ms. Meenakshi Dass	8	8	Yes
v	Shri Sascha Putz	8	7	Yes
vi	Shri Alok Ranjan	8	8	Yes
vii	Shri Inderdeep Singh	8	8	Yes
viii	Shri Yukio Tanemura	8	1*	NA
ix	Shri Kaoru Ito (Alternate director to Shri Yukio Tanemura)$	8	-	NA
x	Shri Masaaki Yamaguchi	8	6#	Yes

S. No.	Name of Director	Number of Board Meetings		Attendance at AGM held on 29.6.2022
		Held	Attended	
xi	Shri Yasunori Maekawa (Alternate director to Shri Masaaki Yamaguchi)	8	1[@]	Yes
xii	Shri Shinichi Unno	8	7	Yes
xiii	Shri Luv D. Shriram	8	8	Yes
xiv	Shri Krishnakumar Srinivasan	8	8	Yes

[*] Shri Yukio Tanemura, Non-Executive Director of the Company, resigned w.e.f. 5.4.2022.

[$] Consequent to the resignation of Shri Yukio Tanemura, Shri Kaoru Ito, Alternate Director to Shri Yukio Tanemura, also ceased to be the Director of the Company w.e.f. 5.4.2022.

[#] Shri Masaaki Yamaguchi was appointed as Director in a casual vacancy caused pursuant to the resignation of Shri Yukio Tanemura w.e.f. 6.4.2022.

[@] Shri Yasunori Maekawa was appointed as Alternate Director to Shri Masaaki Yamaguchi w.e.f. 6.4.2022.

2.3) Meeting of Independent Directors

In compliance of Schedule IV of the Companies Act, 2013 and Listing Regulations, a separate meeting of Independent Directors, was held on 21.3.2023 through video conferencing, which was attended by all the Independent Directors, except Shri Hari S. Bhartia.

2.4) Shares held by Non-Executive Directors as of 31.3.2023 in the Company are as under:

S. No.	Name of Non-executive Director	Number of shares held (Equity Shares of Rs. 10 each)
i	Shri Pradeep Dinodia	Nil
ii	Shri Hari S. Bhartia	Nil
iii	Ms. Ferida Chopra	Nil
iv	Ms. Meenakshi Dass	33,33,931 Equity shares held jointly as 1st holder 33,33,931 Equity shares held jointly as 2nd holder (In the capacity of Trustee - Shares belong to Deepak Shriram Family Benefit Trust)
		8,34,720 Equity shares
v	Shri Sascha Putz	Nil
vi	Shri Alok Ranjan	Nil
vii	Shri Inderdeep Singh	Nil
viii	Shri Yukio Tanemura*	Nil
ix	Shri Kaoru Ito *(Alternate director to Shri Yukio Tanemura)*[@]	Nil
x	Shri Masaaki Yamaguchi[#]	Nil
xi	Shri Yasunori Maekawa *(Alternate Director to Shri Masaaki Yamaguchi)*[$]	Nil
xii	Shri Shinichi Unno	Nil

[*] *Shri Yukio Tanemura, Non-Executive Director of the Company, resigned w.e.f. 5.4.2022.*

[@] *Consequent to the resignation of Shri Yukio Tanemura, Shri Kaoru Ito, Alternate Director to Shri Yukio Tanemura, also ceased to be the Director of the Company w.e.f. 5.4.2022.*

[#] *Shri Masaaki Yamaguchi was appointed as Director in a casual vacancy caused pursuant to the resignation of Shri Yukio Tanemura w.e.f. 6.4.2022.*

[$] *Shri Yasunori Maekawa was appointed as Alternate Director to Shri Masaaki Yamaguchi w.e.f. 6.4.2022.*

There are no convertible instruments in the Company as on 31.3.2023.

2.5) List of listed companies where Directors are also Directors and category of directorship:-

Name of Director	Name of Listed Company	Category of Directorship
Shri Pradeep Dinodia	DCM Shriram Ltd.	Independent Director
	Hero Motocorp Ltd.	Non-Executive Director
Shri Hari S. Bhartia	Jubilant Ingrevia Ltd.	Co-Chairman & Non-Executive Director
	Jubilant Pharmova Ltd. (formerly known as Jubilant Life Sciences Ltd.)	Co-Chairman & Managing Director
	Jubilant Foodworks Ltd.	Co-Chairman & Non-Executive Director
	Global Health Ltd.	Independent Director
Shri Inderdeep Singh	Deltron Ltd. (under voluntary liquidation)	Non-Executive Director
Other Directors are not director in any other Listed Company.		

2.6) Familiarization Program for Independent Directors:

In accordance with the provisions of Regulation 25 (7) of Listing Regulations, the company has been conducting various familiarisation programs.

The details related to Familiarization Programmes imparted to Independent Directors are disclosed under the Company's website viz. www.shrirampistons.com under "Investor's Guide".

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

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

List of Core skills/ expertise/ competencies required by the Directors in order to discharge their duties effectively and names of Directors who possess such skills are:

S. No.	Skills	Name(s) of Directors who possesses such skills
i	Technical knowledge of the Industry in which the Company operates	- Shri Pradeep Dinodia - Shri Klaus Semke - Shri Sascha Putz - Shri Masaaki Yamaguchi - Shri Yasunori Maekawa - Shri Shinichi Unno - Shri Luv D. Shriram - Shri Krishnakumar Srinivasan
ii	Knowledge of finance, law, management, sales, marketing, administration, research and corporate governance	- Shri Pradeep Dinodia - Shri Hari S. Bhartia - Ms. Ferida Chopra - Ms. Meenakshi Dass - Shri Klaus Semke - Shri Sascha Putz - Shri Alok Ranjan - Shri Inderdeep Singh - Shri Masaaki Yamaguchi - Shri Yasunori Maekawa - Shri Shinichi Unno - Shri Luv D. Shriram - Shri Krishnakumar Srinivasan

2.8) Declaration of Independent Directors

Based on the information received from the Independent Directors, the Board is of the opinion that the Independent Directors fulfill the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 16 & 25 (8) of Listing Regulations and are independent of the Management. The Independent Directors have also confirmed that they have registered themselves with the Independent Director's database maintained by the Indian Institute of Corporate Affairs pursuant to Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

No Independent director has resigned from the company during the year under review.

3.0) Board Committees

With a view to have more focused attention on business and for better governance and accountability, the Board has the following mandatory committees:

i. Audit Committee

ii. Stakeholders' Relationship Committee

iii. Nomination and Remuneration Committee

vi. Corporate Social Responsibility Committee

v. Risk Management Committee

The terms of reference of these Committees are determined by the Board and their relevance is reviewed from time to time.

4.0) Audit Committee

4.1) The Company has an Audit Committee in line with provisions of Regulation 18 of Listing Regulations and Section 177 of the Companies Act, 2013.

4.2) The Audit Committee has the following terms of reference, inter-alia: -

- Oversight of the financial reporting process
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors
- Reviewing, with the Management, the Annual Financial Statements and Auditor's Report
- Review and monitor Auditor's independence & performance and the effectiveness of the audit process
- Review the functioning of the Whistle Blower Mechanism

4.3) During the financial year ended March 31, 2023, the Audit Committee met eight (8) times i.e. 5.4.2022, 6.5.2022, 4.8.2022, 12.9.2022, 1.11.2022, 15.12.2022, 8.2.2023 and 29.3.2023. The maximum time gap between any two consecutive meetings was less than 120 days.

4.4) The composition of the Audit Committee, Name of the members and their attendance is as under: -

Name of the Committee Member	Category	Designation	Number of Meetings during the FY 2022-23	
			Held	Attended
Shri Inderdeep Singh	Independent Director	Chairman	8	8
Ms. Ferida Chopra	Independent Director	Member	8	8
Shri Alok Ranjan	Independent Director	Member	8	8
Shri Pradeep Dinodia	Non-Executive Director	Member	8	8
Shri Pradeep Dinodia is a practicing Chartered Accountant and all other Members of the Audit Committee also have good exposure to financial matters				

4.5) The last Annual General Meeting of the Company was held on 29.6.2022 through Video Conferencing and was attended by Shri Inderdeep Singh, the Chairman of the Audit Committee.

5.0) Nomination and Remuneration Committee

5.1) The Company has a duly constituted Nomination and Remuneration Committee in line with provisions of Regulation 19 of Listing Regulations and Section 178 of the Companies Act, 2013.

5.2) The Nomination and Remuneration Committee has the following terms of reference, inter-alia:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommending to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment & removal;
- Recommendation for re-appointment of the Independent Directors, on the basis of performance evaluation report;
- Recommend for Board's consideration, the appointment of Directors, KMPs and Senior Management Personnel and their remuneration.
- Approval of revision in remuneration within the pay scale already approved.

5.3) During the financial year ended March 31, 2023, the Nomination and Remuneration Committee met three (3) times i.e. 5.4.2022, 6.5.2022 and 29.3.2023.

5.4) The composition of the Committee, Name of the members and their attendance are as under: -

Name of the Committee Member	Category	Designation	Number of Meetings during the FY 2022-23	
			Held	Attended
Shri Alok Ranjan	Independent Director	Chairman	3	3
Ms. Ferida Chopra	Independent Director	Member	3	3
Shri Inderdeep Singh	Independent Director	Member	3	3
Shri Pradeep Dinodia	Non-Executive Director	Member	3	3

5.5) Performance Evaluation Criteria:

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

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

5.6) Details of Remuneration paid to Directors during the year April 1, 2022 to March 31, 2023

Remuneration to Non-Executive Directors:

The Remuneration of Non-Executive Directors is approved by the Board of Directors.

Non-Executive Directors were paid Sitting fees of Rs. 1,00,000 for every meeting of the Board & Committees of the Board.

Commission of up to 1% of the profits of the Company is paid to Non-Executive Directors as determined by the Board. This was approved by the shareholders in the Annual General Meeting of 29.6.2022. The fees and commission paid/provided to Non-Executive Directors for the year ended March 31, 2023 are as under: -

(Rs./Million)

Directors	Sitting Fees for Board and Committee meetings paid during the year	Commission
Shri Pradeep Dinodia (Chairman)	2.40	29.87
Shri Hari S. Bhartia	0.20	0.75
Ms. Ferida Chopra	2.00	3.00
Ms. Meenakshi Dass	1.20	3.00
Shri Sascha Putz	0.70	1.50
Shri Alok Ranjan	2.10	3.00
Shri Inderdeep Singh	2.30	3.00
Shri Yukio Tanemura*	0.10	-
Shri Kaoru Ito (Alternate director to Shri Yukio Tanemura)**	-	-
Shri Masaaki Yamaguchi#	0.60	1.00
Shri Yasunori Maekawa## (Alternate Director to Shri Masaaki Yamaguchi)	0.10	0.50
Shri Shinichi Unno	0.70	1.50

** Shri Yukio Tanemura, Non-Executive Director of the Company, resigned w.e.f. 5.4.2022.*

*** Consequent to the resignation of Shri Yukio Tanemura, Shri Kaoru Ito, Alternate Director to Shri Yukio Tanemura, also ceased to be the Director of the Company w.e.f. 5.4.2022.*

 # Shri Masaaki Yamaguchi was appointed as Director in a casual vacancy caused pursuant to the resignation of Shri Yukio Tanemura w.e.f. 6.4.2022.

Shri Yasunori Maekawa was appointed as Alternate Director to Shri Masaaki Yamaguchi w.e.f. 6.4.2022.

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

Remuneration to Managing Director and Whole-time Director

The Remuneration to Managing Director and Whole-time Director for the year ended March 31, 2023 is as under: -

(Rs./ Million)

Directors	Salary	Commission	Company's Contribution to funds*	Perquisites and allowances	Total	Contract Period
Shri Krishnakumar Srinivasan (Managing Director & CEO)	10.80	49.78	2.48	6.20	69.26	11.2.2020 to 10.2.2025
Shri Luv D. Shriram (Whole Time Director)	6.55	42.31	0.0015	3.39	52.25	5.5.2019 to 4.5.2024

Notes:

i. The notice period is six months, on either side.

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

iii. Performance criteria for determining commission is annual profits of the Company before depreciation, donation and taxes.

iv. The Company does not have a scheme of stock options.

v Aggregate of the Company's contribution to the Provident Fund, Superannuation Fund & Gratuity Fund.*

6.0) Stakeholders' Relationship Committee

6.1) In compliance with the provisions of the Companies Act, 2013 and Regulation 20 of Listing Regulations, the Company has a duly constituted "Stakeholders' Relationship Committee".

6.2) The role and terms of reference of the Stakeholders' Relationship Committee cover the areas as contemplated under Regulation 20 read with Part D of Schedule II of the Listing Regulations and Section 178 of the Companies Act, 2013.

6.3) During the FY 2022-23, one (1) Meeting of the Stakeholders' Relationship Committee was held on 29.3.2023, which was attended by all members of committee. The composition of the Committee is as under: -

Name of Committee Members	Category	Designation
Ms. Ferida Chopra	Independent Director	Chairperson
Shri Pradeep Dinodia	Non-Executive Director	Member
Shri Krishnakumar Srinivasan	Managing Director & CEO	Member

6.4) Details of Shareholders' Complaints during FY 2022-23:

Particulars	Number of complaints
No. of complaints received	-
No. of complaints resolved	-
No. of complaints not solved to the satisfaction of shareholders	-
No. of complaints pending	-

7.0) Risk Management Committee (RMC)

7.1) Pursuant to the provisions of Regulation 21 read with Part D of Schedule II of the Listing Regulations, the Company has a duly constituted Risk Management Committee for the development and implementation of the Risk Management Policy, which includes identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

7.2) The Committee assists the Board in its oversight of the Company's management of key risks as well as the guidelines, policies and procedures monitoring and integrating such risks within the overall business risk management framework.

7.3) The role and terms of reference of the Risk Management Committee include:

- Reviewing management of various risks across the Company including operational, financial, sectoral, compliance, information, sustainability (particularly Environment, Social and Governance (ESG) related risks) and cyber security risks.
- Assessment of risks, along with their monitoring status and mitigation plans.
- Ensuring the effectiveness of Enterprise Risk Management systems.

7.4) During the FY 2022-23, the Risk Management Committee met two times i.e. on 12.9.2022 and 8.2.2023.

7.5) The composition of the Committee and attendance of members are as under: -

Name of Committee Member	Category	Designation	No. of Meetings during the FY 2022-23	
			Held	Attended
Shri Pradeep Dinodia	Non-Executive Director	Chairman	2	2
Ms. Meenakshi Dass	Non-Executive Director	Member	2	2
Shri Alok Ranjan	Independent Director	Member	2	2
Shri Inderdeep Singh	Independent Director	Member	2	2
Shri Luv D. Shriram	Whole Time Director	Member	2	1
Shri Krishnakumar Srinivasan	Managing Director & CEO	Member	2	2

8.0) Corporate Social Responsibility Committee (CSR)

8.1) In compliance with the provisions of Section 135 of the Companies Act, 2013, the Company has a duly constituted "Corporate Social Responsibility Committee". The composition, powers, role and terms of reference of the Committee are in accordance with the requirements under Section 135 of the Companies Act, 2013.

8.2) During the FY 2022-23, the Corporate Social Responsibility Committee met two (2) times i.e. on 12.9.2022 and 29.3.2023.

8.3) The composition of the Committee and attendance of members are as under: -

Name of Committee Member	Category	Designation	No. of Meetings during the FY 2022-23	
			Held	Attended
Shri Pradeep Dinodia	Non-Executive Director	Chairman	2	2
Ms. Meenakshi Dass	Non-Executive Director	Member	2	2
Shri Inderdeep Singh	Independent Director	Member	2	2
Shri Luv D. Shriram	Whole Time Director	Member	2	1
Shri Krishnakumar Srinivasan	Managing Director & CEO	Member	2	2

9.0) General Body Meetings

9.1) Date, Venue and Time for the last three Annual General Meetings (AGM) is as under: -

FINANCIAL YEAR	VENUE	DATE	TIME	SPECIAL RESOLUTION PASSED
2019-20	Due to COVID-19 pandemic, the meeting was held through Video Conferencing/ Other Audio-Visual Means. Deemed venue of the meeting was Registered Office of the Company i.e. 3rd Floor, Himalaya House, 23 Kasturba Gandhi Marg, New Delhi - 110001	11.08.2020	5:00 p.m.	- Appointment of Shri Krishnakumar Srinivasan as Managing Director and approval of terms of remuneration. - Approval of payment of profit commission to Non-Executive Directors - Revision in terms of remuneration of Shri A. K. Taneja, Managing Director & CEO - Revision in terms of remuneration of Shri R. Srinivasan, Joint Managing Director - Revision in terms of remuneration of Shri Luv D. Shriram, Whole-Time Director
2020-21	Due to COVID pandemic, the meeting was held through Video Conferencing/ Other Audio-Visual Means. Deemed venue of the meeting was Registered Office of the Company i.e. 3rd Floor, Himalaya House, 23 Kasturba Gandhi Marg, New Delhi-110001	6.7.2021	4:00 p.m.	- Remuneration payable to Non-Executive Directors
2021-22	The meeting was held through Video Conferencing/ Other Audio-Visual Means. Deemed venue of the meeting was Registered Office of the Company i.e. 3rd Floor, Himalaya House, 23 Kasturba Gandhi Marg, New Delhi-110001	29.6.2022	4:00 p.m.	- Approval for payment of 0.6% of the profit commission to Chairman for the Financial Year 2022-23. - Approval for implementation of 'SPR Employees' Stock Option Plan 2022 ('ESOP 2022') and for grant of options to the eligible employees of the Company. - Approval for setting up of an ESOP Trust and acquisition of equity shares from secondary market by the Trust for the implementation of ESOP 2022. - Approval for extending financial assistance/ provisioning of money by the Company to the ESOP Trust to fund the acquisition of the equity shares of the Company, in terms of ESOP 2022.

9.2) No Special Resolution was passed during the financial year 2022-23 through Postal Ballot.

9.3) No Special Resolution is proposed to be conducted through postal ballot.

9.4) As required, Shareholders, in the Annual General Meeting held on 29.6.2022, had voted through remote e-voting and voting at AGM (through e-voting) on resolutions given in the notice.

9.5) Ms Preeti Grover, Practicing Company Secretary (Membership No. F5862), was appointed as the Scrutinizer. All the resolutions were passed with requisite majority.

10.0) Means of Communication:

Quarterly, Half-Yearly and Annual Results are published in "Financial Express" and "Jansatta". The Quarterly results and official news are also displayed on Company's website viz. www.shrirampistons.com under "Investor's Guide".

During the year, no presentations were made to institutional investors or to the analysts.

General Information for Shareholders: -

i 59th Annual General Meeting@

The 59th Annual General Meeting of the Company will be held on Tuesday, July 4, 2023 at 4:00 PM through Video Conferencing/ Other Audio Visual means ("VC/ OAVM"). Venue (deemed) of the Meeting would be Registered Office of the Company i.e. 3rd Floor, Himalaya House, 23 Kasturba Gandhi Marg, New Delhi-110001.

ii Financial Year of the Company

Financial Year of the Company commences on 1st April and ends on 31st March. The four Quarters of the Company ends on 30th June, 30th September, 31st December and 31st March respectively.

iii Date of book closure@

The Register of Members and Share Transfer Books of the Company will remain closed from 28.6.2023 to 4.7.2023 (both days inclusive).

iv Date of Dividend Payment@

Dividend will be paid on or after 4.7.2023 (Date of AGM).

v Name and address of Stock Exchange(s) where equity shares of the Company are listed

The Equity shares of Company are listed on 'National Stock Exchange of India Limited' (NSE), having its office at Exchange Plaza, C-1, Block-G, Bandra-Kurla Complex, Bandra (E) Mumbai-400051

vi Annual Listing Fees

Annual Listing fees for the FY 2023-24 has been paid to NSE.

vii Stock Code and ISIN

The Stock Code of the Company is **SHRIPISTON** and ISIN No. is INE526E01018.

viii Stock Market Price Data and performance in comparison to NSE Nifty 50 Index

Share price data for FY 2022-23 (in ₹)

(Equity Shares of ₹ 10 each Paid Up Value)

Month	Total Volume (No. of shares)	Company's share price (INR)		NSE Nifty 50 index	
		High	Low	High	Low
April, 2022	7,288	761.00	685.05	18,114.65	16,824.70
May, 2022	4,574	725.00	650.00	17,132.85	15,735.75
June, 2022	3,209	715.90	640.00	16,793.85	15,183.40

Month	Total Volume (No. of shares)	Company's share price (INR)		NSE Nifty 50 index	
		High	Low	High	Low
July, 2022	3,618	742.00	665.10	17,172.80	15,511.05
August, 2022	23,951	909.10	692.00	17,992.20	17,154.80
September, 2022	41,611	850.00	707.00	18,096.15	16,747.70
October, 2022	9,927	839.45	731.45	18,022.80	16,855.55
November, 2022	54,430	1,030.00	760.00	18,816.05	17,959.20
December, 2022	56,781	1,275.00	921.25	18,887.60	17,774.25
January, 2023	57,581	1,417.00	1,150.00	18,251.95	17,405.55
February, 2023	31,311	1,359.00	1,122.00	18,134.75	17,255.20
March, 2023	17,003	1,164.80	981.70	17,799.95	16,828.35

ix The Securities of the Company have not been suspended from trading.

x Registrar and Transfer Agents

For share related matters, Members are requested to correspond with the Company's Registrar and Transfer Agents. Alankit Assignments Ltd., having Registered office at Alankit House, 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi – 110 055, Telephone Number – 42541234 and Fax Number - 42541201 are Registrar & Share Transfer Agents (RTA) of the Company who handle share transfer work in Physical and Electronic mode.

xi Share Transfer System

SEBI has mandated that securities of listed companies can be transferred/traded only in dematerialized form. Further, SEBI vide its circular dated 25.1.2022, mandated that all service requests for issue of duplicate certificate, claim from unclaimed suspense account, renewal/exchange of securities certificates, endorsement, subdivision/splitting/ consolidation of certificate, transmission and transposition can also be processed in dematerialized form only.

Securities lodged at the Registrar's address are normally processed within 15 days from the date of lodgment, if documents are complete in all respects. All requests for dematerialization are processed and the confirmation is given to the Depositories i.e. the National Securities Depository Limited (NSDL) and the Central Depository Services India Limited (CDSL) within 15 days.

xii Distribution of Shareholding as on 31.3.2023

Class of Shares	Distribution of Shareholding	Number of shareholders	Percentage of shareholding
Equity Shares	**Upto 500**	2,930	0.48
	501-1000	47	0.16
	1001-2000	28	0.17
	2001-3000	11	0.12
	3001-4000	3	0.05
	4001-5000	3	0.06
	5001-10000	6	0.18
	10001 and above	15	98.78
	Total	**3,043**	**100**

xiii Category-wise Distribution of Shareholding as on 31.3.2023

S. No.	Category of Shareholders	Equity Shares	
		Number of shareholders	Percentage of shareholding
1	Indian Promoters	1,02,97,053	46.75
2	Financial Institution/ Banks/ NBFCs	-	-
3	Insurance Companies	22,13,912	10.05
4	Individuals/ HUFs/ Firms/ Trusts	2,43,714	1.11
5	Bodies Corporate:		
a.	Foreign	91,67,031	41.62
b.	Indian	85,929	0.39
6	IEPF Account	17,273	0.08
	Total	**2,20,24,912**	**100**

xiv Dematerialization of shares and liquidity

Trading in the Equity Shares of the Company is permitted only in dematerialized form by all categories of Investors. The electronic holding of the shares by members comprises 78.68% (previous year – 58.4%) of the paid up equity share capital of the Company as on March 31, 2023 held through National Securities Depository Ltd. (78.17% holding) and Central Depository Services (India) Ltd. (0.51% holding). ISIN allotted to Company's equity shares is INE526E01018

xv Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion dates and likely impact on equity

Company has not issued any warrants/ other instruments so far.

xvi Plant Locations

The Company's plants are located at Meerut Road, Ghaziabad (U.P.), Industrial Area, Pathredi, District Alwar (Rajasthan) and Industrial Area, Bulandshahr Road, Ghaziabad (U.P.).

Assembly units are located at Gurugram, Pune, Hosur, Becharji (Gujarat) and Sahibabad.

xvii Investors' correspondence may be addressed to:

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

xviii Credit ratings obtained by the Company:

- Long-Term Issuer Rating : IND AA, Outlook: Stable
- Long-Term Bank Facilities : IND AA/STABLE
- Term Deposit Rating : IND AA/STABLE
- Short-Term Bank Facilities : IND A1+

During the year 2022-23, there was no revision in the Credit Ratings obtained by the Company.

11.0) OTHER DISCLOSURES

i **Disclosure on materially significant related party transactions:**

No transactions of a material nature have been entered into by the company with its Promoters, Directors or Key Management Personnel or their relatives, which could be construed to have potential conflict of interest with the Company.

Disclosures on related party transactions as per the Indian Accounting Standard 24 have been made at Note No. 32 of "Notes forming part of the Financial Statements" of the Annual Accounts.

"Policy for dealing with Related Party Transactions" is available on Company's website viz. www.shrirampistons.com under "Investors' Guide".

ii The Company complies with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

iii **Details of non-compliance by the Company, penalties, strictures imposed on the company by the Stock Exchange or SEBI or any statutory authority, on the matter related to capital markets, during the last three years:**

The Company has complied with all the requirement of regulatory authorities. No penalties/strictures or restrictions were imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last 3 years except penalty of Rs. 53,100/- (including GST) imposed by National Stock Exchange of India Ltd. for delayed filing under Regulation 23(9) of the Listing Regulations, 2015.

iv **Details of establishment of Vigil Mechanism/Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee:**

As a conscious and vigilant organization, the Company believes in conduct of the affairs of its constituents in a fair and transparent manner, by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.

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

The Whistle Blower Policy and establishment of Vigil Mechanism have been appropriately communicated within the Company and it is also available on Company's website viz. www.shrirampistons.com under the link "Investors' Guide".

v **Details of Compliance with Mandatory Requirements & adoption of Non-Mandatory Requirements/Discretionary Requirements:**

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

b. Non-mandatory requirements:

- The Board of Directors of Company, in their meeting held on 4.8.2022 has approved revision in payment towards shared usage for office at residence for Chairman w.e.f. 1.7.2022.
- The Internal Auditors of the Company, M/s Ernst & Young, Grand Thornton and RSM Astute, report directly to the Audit Committee.

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

vii **Details of utilization of funds raised though Preferential Allotment or Qualified Institutional Placement:** The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of Listing Regulations.

viii **Disclosure of commodity price risks and commodity hedging activities:** The disclosure pertaining to exposure and Commodity risk is not applicable to the Company as no Commodity which is being dealt which is material.

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

ix **Performance Evaluation:** The Board has carried out Annual evaluation of its own performance and that of its Committees and individual Directors (excluding the Director being evaluated) as per criteria laid down by Nomination & Remuneration Committee.

The evaluation was carried out after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy and composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance and discussion amongst Directors.

The performance evaluation of the Chairman, the Non Independent Directors and the Board as a whole was carried out by the Independent Directors.

The Directors expressed their satisfaction with the evaluation process.

x The Company has obtained a certificate from CS Preeti Grover (FCS 5862, CP No. 6065) (Secretarial Auditor of the Company) regarding confirmation that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by Board i.e. SEBI, Ministry of Corporate Affairs or any such statutory authority. This Certificate is annexed to this Report.

xi **Acceptance of recommendations made by any Committee of the Board:**

During the year, the Board has accepted all recommendations made by Committees of the Board which are mandatorily required.

xii During the financial year ended March 31, 2023, the Company and its subsidiaries have paid total fees of Rs. 5.69 Mn. (Excluding GST) for all services, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/ network entity of which the statutory auditor is a part.

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

As required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has a formal policy to ensure safety of women and prevention of sexual harassment and the Company has complied with provisions relating to the constitution of Internal Complaints Committee (ICC) under the said Act at its workplaces to redress the complaints of women employees.

During the financial year ended March 31, 2023:

- No. of complaints filed: NIL

- No. of complaints disposed of: NIL

- No. of complaints pending as on end of the Financial Year: NIL

xiv The Company has complied with requirement of Corporate Governance Report as per Listing Regulations.

On behalf of the Board

New Delhi
May 8, 2023

(PRADEEP DINODIA)
CHAIRMAN
DIN: 00027995

@In view of the consideration of Bonus Issue, the Board in its meeting held on 13.6.2023 postponed the date of 59th AGM & dividend payment date and also substituted the date of book closure with the record date for dividend. Consequent to this development the relevant information has been updated in the section "Means of Communication" of the Report on Corporate Governance for the year ended March 31, 2023: -

i **59th Annual General Meeting**

The 59th Annual General Meeting of the Company will be held on Thursday, July 6, 2023 at 4:00 PM through Video Conferencing/ Other Audio Visual means ("VC/ OAVM"). Venue (deemed) of the Meeting would be Registered Office of the Company i.e. 3rd Floor, Himalaya House, 23 Kasturba Gandhi Marg, New Delhi-110001.

iii **Record Date for Dividend**

The equity shareholders of the Company, whose names appear in the Register of Members maintained by the Company's Registrars and Transfer Agents/ List of Beneficial Owners, as received from the National Securities

Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), on record date i.e., Friday, June 23, 2023 ("Record Date") will be considered for payment of dividend.

iv Date of Dividend Payment

Dividend will be paid on or after 6.7.2023 (Date of AGM).

On behalf of the Board

New Delhi
June 13, 2023

(PRADEEP DINODIA)
CHAIRMAN
DIN: 00027995

CERTIFICATE ON CORPORATE GOVERNANCE COMPLIANCES

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

We have examined the compliance of conditions of corporate governance by Shriram Pistons & Rings Ltd. ("the Company") as stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for the financial year ended March 31, 2023.

Management's Responsibility:

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

Auditors' Responsibility:

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

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above-mentioned SEBI Listing Regulations for the year ended on March 31, 2023.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use:

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

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

For PG & Associates
(Company Secretaries)

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

Place: Noida
Date: May 4, 2023
UDIN: F005862E000239810

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34 (3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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

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

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

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	Shri Pradeep Dinodia	00027995	16.5.2003
2	Shri Hari S. Bhartia	00010499	27.1.2009
3	Ms. Ferida Chopra	08415847	30.3.2019
4	Ms. Meenakshi Dass	00524865	28.3.2009
5	Shri Sascha Putz#	08645364	30.3.2021
6	Shri Alok Ranjan	08254398	30.3.2019
7	Shri Inderdeep Singh	00173538	25.3.2008
8	Shri Masaaki Yamaguchi	07106759	6.4.2022
9	Shri Yasunori Maekawa (Alternate to Masaaki Yamaguchi)	06952173	6.4.2022
10	Shri Shinichi Unno	09189521	31.5.2021
11	Shri Krishnakumar Srinivasan	00692717	11.2.2020
12	Shri Luv Deepak Shriram	00051065	1.4.2009
13	Shri Yukio Tanemura##	08531888	27.7.2019
14	Shri Kaoru Ito## (Alternate to Yukio Tanemura)	08505822	10.7.2019
15	Shri Klaus Semke###	10133032	1.5.2023

Resigned w.e.f. closing hours of April 30, 2023.

Ceased as Directors w.e.f April 05, 2022.

Appointment in casual vacancy pursuant to resignation of Shri Sascha Putz w.e.f. 01.05.2023.

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

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

For PG & ASSOCIATES
(Company Secretaries)

Place: Noida
Date: May 04, 2023

UDIN: F005862E000239799

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

DECLARATION ON COMPLIANCE OF CODE OF CONDUCT

The Board of Directors have laid down a Code of Conduct to be observed and implemented by all Directors and Senior Management Personnel of the Company in their official day-to-day activities, as required under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All Board members and Senior Management Personnel of the Company have affirmed to the Company that they have complied and implemented the Company's Code of Conduct in discharging their official day-to-day activities for the F.Y.E. March 31, 2022.

New Delhi
April 28, 2023

(Krishnakumar Srinivasan)
Managing Director & CEO
DIN: 00692717

ANNEXURE - II TO BOARDS' REPORT

REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

1. Industry Structure and Development

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

Production of all vehicle segments registered growth during 2022-23 i.e.

Vehicle Segment	Production Growth (in %)
Passenger Vehicles	25%
Medium & Heavy Commercial Vehicles	37%
Light Commercial Vehicles	44%
Small Commercial Vehicles	20%
Tractors	11%
Two wheelers	8%

Company's exports increased from Rs. 4,010 Million to Rs. 4,841 Million. The trend of increasing exports is expected to continue in this year as well. However, other global headwinds and geopolitical challenges leading to uncertainties will be a critical factor for sales in the exports market.

2. Opportunities

Overall growth momentum in the automobile sector in India, during 2023-24 is expected to continue. Passenger Vehicle and Commercial Vehicle segments are expected to register good growth. However, two-wheeler and three-wheeler segment is expected to register marginal growth.

Automotive sector is still being challenged by various factors including semiconductor chip shortages, high fuel prices, increase in interest rates and Russia - Ukraine conflict.

The growth prospects in medium to long term remain positive and the automotive component industry is also expected to grow in line with the growth in automobile production and growth in the aftermarket segment.

The latent demand for personal mobility and public transport remains strong. Going forward, improvement in rural demand based on normal monsoon and availability of finance will lead to improvement in demand. Government expenditure in Infrastructure projects will also lead to increase in demand of Commercial Vehicles. Further, Government focus on Panch tattva (five immediate measures) laid out recently will further fortify growth of automobile industry.

The Company is closely working with key OEMs for improving its market share by providing technology solutions. It is also focusing to improve distribution network in the aftermarket and has presence in all segments of the market including Commercial Vehicles, Cars/SUVs, Two & Three wheelers, Tractors, Off-highway vehicles and Industrial Engines for both OEMs and After Market. In order to increase operational flexibility, the Company is also trying to convert its 2 wheeler production line into 4 wheeler production line. This initiative is expected to save time and effectively fulfil customer demands.

In order to meet the vision of growth and de-risk its' business model, the Company has acquired majority stake in an e-Mobility company (EMF Innovations Pvt. Ltd.). Further as a part of its diversification strategy the Company has entered into an agreement to acquire majority stake in a Plastic Injection moulding part manufacturer (Takahata Precision India Pvt. Ltd.). The Company is also actively working on identifying further suitable opportunities for diversification.

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

The Company is targeting to achieve growth, by increasing its market share with key OEMs and increased focus on the Aftermarket both in domestic and exports market.

3. Threats

The economic situation in the country improved in the year 2022-23. However, this year witnessed rising interest rates and high inflation levels which resulted in dampening of market sentiment, this remains a cause of concern for the year 2023-24.

The Company is also taking several initiatives and time bound actions to meet the changing expectations of customers, especially zero defect quality, traceability, digitization, automation and cost reduction measures across the organisation.

Volatile Exchange Rate due to uncertainty in global economy and intense competition may also impact profits of the Company in the coming year. The Company is taking all possible steps to minimise the impact of forex fluctuation.

The Government is encouraging introduction of electric vehicles in the market by offering various incentives. However, investment made by various OEMs for transition to BS-6 Engines, coupled with inadequate infrastructure for charging, inadequate facilities to manufacture batteries & motors, high cost structure for electric vehicles and safety related issues, appears to be the limitation for faster penetration of e-mobility especially for Passenger Vehicles and Commercial Vehicles. To further strengthen the FAME-II subsidy scheme the Government is working towards making the whole process more transparent and also ensuring that the EV manufacturers become more self-reliant thereby able to make the product at the right cost, this however would take time. Hence, e-mobility penetration in the market will be segment driven. Company is closely monitoring e-mobility trends along with the global partners. On the e-mobility fronts the company has made strategic investments to get a foothold in this sector and has invested judiciously. Company is also working on identifying suitable products and technology partners to help diversification into other adjacencies.

4. Segment-wise/ Product-wise performance

The Company deals principally in only one segment i.e. automotive components. Therefore, segment-wise performance is not applicable.

5. Outlook

Growth of Automobile sector in India in 2023-24 is dependent on various factors including geo-political situation. The long-term prospects for automobile production appears to be good, due to latent demand for personal mobility, rapid urbanisation, development of road infrastructure and focus on rural development.

Factors like normal monsoon, increasing infrastructure and overall economic growth indicators shall strengthen the positive outlook and will help the industry to perform better.

However, other economic measures like rationalising the GST rates on automobiles, increase in direct incentives on Exports and signing of bilateral treaties with other countries are needed to boost the demand.

With support of Technology Partners, export sales of Company's products to global OEMs are expected to further increase in the current year.

The domestic Aftermarket is growing and with increased focus, it is expected to contribute to Company's sales and profits.

The medium to long term outlook for automotive sector in India is positive. As mentioned above, introduction of e-mobility in near future has various limitations and may not have significant impact on the operations of the Company in the next few years.

6. Risk & Concerns

Increase in price of automobiles and fuel prices, shortage of semi-conductors, increase in interest rates and global headwinds are affecting demand. However, favourable Government policies to promote semiconductor manufacturing will provide fillip to the Industry.

Demand from customers for price reduction, increase in fuel prices, volatility in raw material prices due to geopolitical issues and impact on supply chain are the major concerns for the Company. Management continues to work on various options to improve the profitability levels.

The Company is taking various steps in a focussed manner to strengthen liquidity and to increase profitability by productivity improvement, rejection reduction, digitization of Business Processes and other Cost reduction measures.

The medium to long term outlook for the automotive sector remains positive, with increasing preference for personal mobility.

The Company has developed and implemented risk mitigation plan by being present across all market segments – OEMs and Aftermarket, both in domestic and export markets across all vehicle segments to optimise Plant utilisation and through its continuous drive for cost reduction. Company has a healthy mix of customers in OEMs, Aftermarket and Exports.

With strong support from our technology partners, the Company is fully geared to meet customer demand for latest technology products and to increase the number of models/ variants. Company expects to realize ongoing benefits of investments in world class technology and manufacturing systems in the years to come.

The Management is of the opinion that while risk factors may impact the profitability of the Company, however the same do not threaten the existence of the Company.

7. Internal Control Systems & their adequacy

The Company has an adequate internal financial control system over financial reporting and such internal financial controls are operating effectively and provide reasonable assurance regarding all financial and operating functions and compliance with statutory provisions.

The Company has an internal audit section besides external firms which are carrying out internal audits. The internal auditors' reports are regularly reviewed by Senior Management and Audit Committee of the Board.

The Company endeavours to constantly upgrade internal controls and periodic evaluation of the same is being undertaken.

Company has in place adequate systems to periodically assess various risks, its likelihood and impact and an action plan to pro-actively mitigate the impact of various risks.

8. Financial/ Operational performance

Company's revenue from operations during the year ended March 31, 2023 were Rs. 26,050 Million.

Net profit after tax (before OCI) of the Company during the year ended 31st March, 2023 was Rs. 2,956 Million.

Earnings per share was Rs. 134 in 2022-23.

9. Human Resources/ Industrial Relations

The Management considers People as its key resource and provides development opportunities through various training and welfare programs for employees and their families.

Various steps are being undertaken on a continuing basis, for maintaining excellent industrial relations which are helping to strengthen cordial relations with employees and motivate them to contribute to the growth of the Company.

The Company is continuously taking steps to strengthen its Management structure to ensure Stability and Growth.

Dignity, respect, fairness, transparency and opportunity of growth for all employees are the core values of the Company and these are being reinforced continuously, through many initiatives.

As of 31.3.2023, numbers of permanent employees on rolls of the Company are 3907.

10. Changes in key financial ratios are as under:

S. No.	Ratios	Unit	2021-22	2022-23	%age change
i	Debtors Turnover	Times	5.97	6.82	14%
ii	Inventory Turnover	Times	4.99	5.67	14%
iii	Interest Coverage Ratio	Times	20.45	22.90	12%
iv	Current Ratio	Times	2.31	2.50	9%
v	Debt Equity Ratio	Times	0.11	0.19	81%
vi	Operating Profit Margin	%	10.44	14.87	42%
vii	Net Profit Margin	%	8.08	11.55	43%

Return on Net worth of the Company during Financial Year 2022-23 was 20.02% as compared to 13.15% last year.

11. Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could vary materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

ANNEXURE - III TO BOARDS' REPORT

REPORT ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

[PARTICULARS REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014]

A. Conservation of Energy

1. Energy Conservation measures taken during the year: -

Energy conservation is an environmentally sustainable and economically viable process and has been a priority focus area for the Company. Following measures were taken during the year:

At Ghaziabad:

i) Energy saving through Solar Power
ii) Reduction in Air Compressor's power consumption by simplification of existing pipe line system
iii) Usage of EC fans in comfort cooling units
iv) Energy Saving after installation of AC Drive on a compressor
v) Replacing old & inefficient Transfer Pumps

At Pathredi:

i) Replacement of Fans with BLDC technology
ii) Reduction in T&D losses through transformer synchronisation
iii) Melting furnace load limit set up, interlock and metering
iv) Conversion of holding furnaces into thyristor heating mode
v) Chlorination furnace heater modifications
vi) Intelligent evaporator installed in ZLD for heat recovery from cooling towers

2. Steps taken by Company to utilize alternate sources of energy: -

Company has converted 15% of daily energy consumption from thermal to alternative renewable energy source (Solar energy) at one of its plants.

3. Impact of the above measures: -

These measures have resulted and will lead to further improvement in energy efficiency in operations and reduction in cost of production.

4. Capital Investment on energy conservation equipment: Rs. 16.88 Mn.

B. Technology Absorption

1. Efforts, in brief, made towards technology absorption: -

i) Development of new Piston Assembly / Engine valves suitable for alternate fuel systems i.e. CNG / LNG / Hydrogen.
ii) Upgrade existing product line to run on Flex fuels. (>20% blended fuels) with special coatings (e.g. hard anodizing on pistons and PVD coated rings)
iii) Expanded the current application range to make parts for large bore diesel engines. Aluminum Pistons diameter up to 170.0 mm and large size engine valves (head diameter 90 mm, length 325 mm with special features).
iv) Piston skirt friction reduced by 25% with special interface of new coating with surface tribology. Test results proven on floating liner test conducted at Japan. To be used along with ultra-light pistons for gasoline engines.
v) In-house designed Aluminum forged pistons for high performance 2-Wheeler applications (350cc ~ 1000 cc) matched with special high diameter thin cross-section rings.
vi) Developed special Piston Assembly for large cold storage machines, ammonia compressors and engine valves for recreational engines e.g. snow bikes, boats etc.

2. Benefits derived as a result of the above effort: -

i) Enhanced the contribution of new products into the business to sustain market share and improve turnover.

ii) Explore business opportunities with new export and domestic customers.

iii) Building trust & long term business relation with customers to emerge as 'preferred supplier'.

3. Imported technology: -

Technology is being continuously received from Technical Collaborators viz. M/s KS Kolbenschmidt GmbH, Germany, M/s Honda Foundry, Japan, M/s Riken Corporation, Japan and M/s Fuji Oozx, Japan under subsisting Technical Collaboration Agreements for manufacture of Pistons, Piston Rings and Engine Valves.

Details of technology imported during last three years (reckoned from the beginning of financial year):

S. No.	Details of technology imported	Year of import	Whether technology has been fully absorbed	Reason for non-absorption of technology, if any
Pistons:				
i	New FEA simulation software (ANSA/META)	2019-20	Yes	-
ii	Development of premium Diesel piston alloy KS312	2019-20	Yes	-
Rings:				
i	Technology for Inlaid/Semi-inlaid coating time reduction	2019-20	Yes	-
ii	SSG profile - Spacers	2020-21	Yes	-
iii	SGN treatment - Spacer	2020-21	Yes	-
iv	GNT technology - Spacer	2020-21	Yes	-
v	Taper OD profile for Rails	2020-21	Yes	-
EV:				
i	Introduced Pyromet alloy for Exhaust valve for high durability in power GEN application	2021-22	No	Under Implementation

4. Expenditure on R & D: -

- Capital/Intangible : Rs. 22 Million
- Recurring : Rs. 211 Million
- Total : Rs. 233 Million
- Total R&D expenditure as percentage of total income: 0.88%

C. Foreign Exchange Earnings & Outgo

1. Exports: -

i) Exports continue to remain focus area for the Company. The Company made exports worth Rs. 4,841 Million in the year as compared to Rs. 4,010 Million in the previous year.

ii) Several initiatives have been taken for long term growth of Company's export to global OEMs and in the Aftermarket, in close coordination with our Collaborators.

iii) Company is targeting to achieve double digit growth in export levels from previous year. This will however be determined by the global headwinds and geopolitical challenges.

2. Foreign Exchange earned - Rs. 4,641 Million

Foreign Exchange utilized/outgo - Rs. 2,121 Million

ANNEXURE - IV TO BOARDS' REPORT

DATA OF EMPLOYEES

[UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014]

1. Particulars of Employees:

Name	Designation/ Duties	Remuneration (Rs.)	Qualifications	Experience (Years)	Commencement of Employment	Age (Years)	%age of Equity Shares held	Last Employment Held
Sandeep Agrawal	Executive Director & Chief Marketing Officer	2,28,81,964	B.Sc (Mechanical Engineering), PGDBM	36	Apr-21	57	-	Head Network Management and CEO, Gulf Ashley Ltd with Ashok Leyland
Poonam Bharti	Executive Director & Chief HR Officer	2,06,05,210	B.Sc., Masters in HR & IR	28	Mar-18	52	-	Global HR Head, Ranbaxy/ Sun Pharma
Sandeep Kalia	Executive Director	1,90,70,533	B.E. Mechanical, Diploma in Management	39	Jul-15	61	-	Member of Board of Director-Mushashi Auto Parts India Pvt. Ltd
Devendra Mishra	Executive Director	2,20,29,583	B.E., PGDBM	35	Jul-11	58	-	VP-Manufacturing, National Engineering Industries
Rajan Nanda	Executive Director	1,80,19,189	B.E. Mechanical, MBA Finance & Operations	32	Jun-15	54	-	Head Key Account Management (Automotive)- Schaeffler India
Arun Kumar Shukla	Dy. Executive Director	1,61,48,065	B.Tech	36	Aug-09	58	-	Vice President - Operations, Uniparts India Ltd.
Prem Prakash Rathi	Dy. Executive Director & CFO	1,54,71,162	FCA, B.Com (Hons.)	24	Jan-21	49	-	Chief Financial Officer-Raymond Ltd. (Garmenting Division)
Atul K Khanapurkar	Dy. Executive Director	1,44,14,638	B.E. (Electronics)	37	Mar-19	59	-	Sr. General Manager, Bosch Ltd.
Ashok Sinha#	Dy. Executive Director	1,25,00,100	B.Sc. Engg. (Mechnical), PGDBM, MBA	26	Apr-22	47	-	SCM Director - Cummins Engine
Dharmendra Singh	Dy. Executive Director	1,20,68,797	B.Sc. Engg. (Mechnical)	36	Aug-89	57	-	
Naveen Agarwal#	Executive Director and Alternate Company Secretary	1,97,95,188	B.Com (Hons.), LL.B, ACMA, ACS	44	Jun-96	62	0.00002	Dy. General Manager, Jay Engineering Works Ltd.
Luv D. Shriram*	Wholetime Director	5,22,57,316	B.Com	30	May-14	51	30.29$	Managing Director, Shriram Veritech Solutions Pvt. Ltd.
Krishnakumar Srinivasan*	Managing Director & CEO	6,92,64,236	B.E. (Mech.), MBA, Diploma in Exports	36	Feb-20	57	-	President and Director, Europe and Strategic Business, Bharat Forge Ltd.

Notes:

(i) Year of experience include experience prior to joining the Company.

(ii) All employees are on regular employment.

(iii) Remuneration includes payment of salaries, allowances, expenses on perquisites and contribution to provident fund, gratuity fund, superannuation fund & other benefits on payment basis.

(iv) * Employees on Contract.

(v) # Employed for part of the year.

(vi) $ Shri Luv D. Shriram (First named shareholder) and Ms. Meenakshi Dass (Second named shareholder) jointly hold 15.14% shares of the Company on behalf of Deepak Shriram Family Benefit Trust.

Ms. Meenakshi Dass (First named shareholder) and Shri Luv D. Shriram (Second named shareholder) jointly hold 15.14% shares of the Company on behalf of Deepak Shriram Family Benefit Trust.

Shri Luv D. Shriram (First named shareholder) and Shri Kush D. Shriram (Second named shareholder) jointly hold 0.00001% shares of the Company on behalf of NAK Benefit Trust.

Shri Luv D. Shriram also holds 0.02% shares of the Company in his name.

Shri Luv D. Shriram is a relative of Ms. Meenakshi Dass, who is a Non-Executive Director of the Company.

(vii) There was no employee who was in receipt of remuneration which, in the aggregate, is in excess of that drawn by the Managing Director or Whole Time Director and holds by himself or along with his/ her spouse and dependent children, not less than 2% equity shares of the Company.

2. Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of the Director	Ratio of remuneration to median remuneration of employees (Times)
Shri Pradeep Dinodia	65.63
Shri Hari S. Bhartia	1.93
Ms. Ferida Chopra	10.17
Ms. Meenakshi Dass	8.54
Shri Sascha Putz	4.47
Shri Alok Ranjan	10.37
Shri Inderdeep Singh	10.78
Shri Yukio Tanemura#	-
Shri Shinichi Unno	4.47
Shri Krishnakumar Srinivasan	140.86
Shri Masaaki Yamaguchi#	-
Shri Yasunori Maekawa#	-
Shri Luv D. Shriram	106.27
#Employed for part of the year in 2022-23. Hence, their ratio of remuneration to median remuneration is not comparable and therefore not stated.	

3. Percentage increase in remuneration of Directors, CFO, CEO and CS:

Name of the Director / CFO / CEO / CS	% age increase in remuneration
Shri Pradeep Dinodia	54.77
Shri Hari S. Bhartia	35.71
Ms. Ferida Chopra	66.67
Ms. Meenakshi Dass	75.00
Shri Sascha Putz	15.79
Shri Alok Ranjan	64.52
Shri Inderdeep Singh	65.63
Shri Yukio Tanemura*	-
Shri Shinichi Unno	15.79
Shri Masaaki Yamaguchi*	-
Shri Yasunori Maekawa*	-
Shri Krishnakumar Srinivasan	39.57
Shri Luv D. Shriram	42.31
Shri Prem Prakash Rathi	35.40
Shri Naveen Agarwal*	-
Shri Pankaj Gupta*	-
*Employed for part of the year in 2021-22 or 2022-23. Hence, their percentage increase in remuneration is not comparable and therefore not stated.	

4. Percentage increase in the median remuneration of employees in the financial year: 8.59

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof:

   (i) Average Percentile Increase in the Salaries of Employees: 7.96%

   (ii) Average Percentile Increase in Managerial Remuneration: 39.57%

6. The remuneration is as per the Remuneration Policy of the Company.

ANNEXURE - V TO BOARDS' REPORT

REPORT ON CSR ACTIVITIES UNDERTAKEN BY THE COMPANY DURING FY 2022-23

1. Brief outline on CSR Policy of the Company

Company's policy is to conduct its business responsibly and improve the quality of life of people, especially in Society close to our areas of operation while creating long term value for all stakeholders.

The Company's priority is to take up CSR projects/programmes/activities in the following areas:-

(i) Education

(ii) Health Care (Construction of Medical Block in Old Age Home, Garhmukteshwar etc.)

(iii) Sanitation

(iv) Environment preservation

(v) Any other areas as approved by the CSR Committee/Board.

Projects/programmes/activities aimed at persons from disadvantageous background or persons who are differently abled have priority over others.

2. Composition of CSR Committee as of 31.3.2023:

S. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
i	Shri Pradeep Dinodia	Chairman (Non- Executive Director)	2	2
ii	Shri Inderdeep Singh	Independent Director	2	2
iii	Ms. Meenakshi Dass	Non-Executive Director	2	2
iv	Shri Luv D. Shriram	Whole-Time Director	2	1
v	Shri Krishnakumar Srinivasan	Managing Director & CEO	2	2

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company https://shrirampistons.com/investors-guide-2/

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

5. i Average net profit of the company as per sub-section (5) of section 135: Rs. 1542 Mn.
   ii Two percent of average net profit of the Company as per sub-section (5) of section 135: Rs. 30.90 Mn.
   iii Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
   iv Amount required to be set off for the financial year, if any: NIL
   v Total CSR obligation for the financial year [(ii)+(iii)-(iv)]: Rs. 30.90 Mn.

6. i Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs. 29.44 Mn
   ii Amount spent in Administrative Overheads: Rs. 1.46 Mn
   iii Amount spent on Impact Assessment, if applicable: NIL
   iv Total amount spent for the Financial Year [(i+ii+iii)] Rs. 30.90 Mn
   v CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Mn Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount Mn Rs.	Date of transfer	Name of the Fund	Amount	Date of transfer
28.81	2.09	28.4.2023	-	-	-

(f) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in Mn Rs.)
i	Two percent of average net profit of the company as per sub section (5) of section 135	30.90
ii	Total amount spent for the Financial Year	30.90
iii	Excess amount spent for the financial year [(ii)-(i)]	Nil
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)]	Nil

7. (a) Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Mn Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Mn Rs.)	Amount spent in the reporting Financial Year (in Mn 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.)	Deficiency, if any
					Name of the Fund	Amount (in Rs.)	Date of transfer		
i	2020-21	10.26	7.10	3.09	-	-	-	4.01	-
ii	2021-22	9.08	9.08	7.14	-	-	-	1.94	-
	Total	19.34	16.18	10.23	-	-	-	5.95	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

○ Yes ● No

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year.

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

(All the fields should be captured as appearing in the revenue record, Flat No., House No., Municipal Officer/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

New Delhi
8th May, 2023

(Krishnakumar Srinivasan)
Managing Director & CEO
DIN: 00692717

(Pradeep Dinodia)
Chairman - CSR Committee
DIN: 00027995

ANNEXURE - VI TO BOARDS' REPORT

Form MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **M/s. Shriram Pistons & Rings Limited** (herein after called "the Company"). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes' books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-process and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made thereunder.
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder:
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 viz:-
   - (i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)
   - (ii) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
   - (iii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;
   - (iv) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018:
   - (v) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018; **Not applicable**
   - (vi) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not applicable**
   - (vii) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not applicable**
   - (viii) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
   - (ix) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not applicable**
   - (x) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018: **Not Applicable**

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

Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above subject to the following observations:

1. One of the employees purchased 5(Five) equity shares for a total consideration of Rs. 6295/-(Rupees Six Thousand Two Hundred Ninety Five) on 4th January, 2023 during the closure of trading window. On becoming aware, proper intimation was given by Company to National Stock Exchange (NSE) regarding the non-compliance of Code of Conduct formulated pursuant to The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. Board of Directors of the Company was appraised and due Penalty was imposed against the employee.

2. The company has generally complied with all the requirements of regulatory authorities. No penalties/strictures were imposed on the Company by Stock Exchange or SEBI except a penalty of Rs. 53,100/- paid to NSE on 26.07.2022 for delayed filing under Regulation 23(9) of SEBI (LODR) Regulations, 2015.

   On the basis of management representation, recording in the Minutes of Board Meetings and documents provided, I am of the view that the Company has ensured compliance with other laws generally applicable to it like:

   1. The Water (Prevention and Control of Pollution) Act, 1974;
   2. The Air (Prevention and Control of Pollution) Act, 1981;
   3. The Environment (Protection) Act, 1986;
   4. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
   5. Factories Act, 1948.
   6. Payment of Wages Act. 1936.
   7. Minimum Wages Act, 1948.
   8. Employees' State Insurance Act, 1948.
   9. Employees' Provident Fund and Miscellaneous Provisions Act, 1952.
   10. Goods & Service Tax (GST) Act, 2017.
   11. Income Tax Act, 1961.

I further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except in cases where meetings were convened at a shorter notice for which necessary approval was obtained as per applicable provisions) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings of the Board and Committees of the Board, duly signed by the Chairman, all the decisions of the Board were unanimously passed and members views, if any, were captured and recorded as part of the minutes.

I further report that based on their view of the Compliance mechanism established by the Company and on the basis of compliance reports issued by the Company Secretary and Managing Director & CEO based on the updates issued by Functional heads and taken on record by the Board of Directors at their meeting(s), I am of the opinion that there are adequate systems and processes in place in the Company which are commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

I further report that during the audit period event/ action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc are :

i. The Company made an application under Section 248(2) of the Companies Act, 2013 read with Rule 4,5,6 and 8 of the Companies (Removal of Names of Companies from the Register of Companies) Rules, 2016, for removing the name of SPR International Auto Exports Limited, WOS of the Company from Register of Companies which was approved by ROC, Delhi & Haryana on 07.03.2023.

ii. The Company has incorporated M/s SPR Engenious Limited as a wholly owned subsidiary (WOS) with the ROC, Delhi & Haryana on September 26, 2022.

For PG & ASSOCIATES
(Company Secretaries)

Place: Noida
Date: May 5, 2023

CS PREETI GROVER
(Proprietor)
FCS: 5862, CP No.: 6065
Peer Review No.: 772/2020

UDIN: F005862E000250975

Note: This report is to be read with our letter of even date annexed to this Report as Annexure-A, which forms part of this Report.

Annexure-A

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

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and for which we relied on the report of statutory auditor.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
6. We have relied on the Management representation about the compliance of laws, rules and regulations and happening of events etc.

For PG & ASSOCIATES
(Company Secretaries)

CS PREETI GROVER
(Proprietor)
FCS: 5862, C.P. No.: 6065
Peer Review No.: 772/2020

Place: Noida
Date: May 5, 2023
UDIN: F005862E000250975

ANNEXURE - VII TO BOARDS' REPORT

Form AOC-1

[Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Part "A": Subsidiaries

Sr. No.	Particulars	Subsidiary 1	Subsidiary 2*
1	Name of the subsidiary	SPR Engenious Limited	EMF Innovations Private Limited
2	The date since when subsidiary was acquired	26.9.2022 (Date of Incorporation)	11.1.2023
3	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Not applicable as reporting period of Holding and Subsidiary Company are same i.e. from 1.4.2022 to 31.3.2023, since the Company was incorporated on 26.9.2022, 1st reporting period is from 26.9.2022 to 31.3.2023	Not applicable as reporting period of Holding and Subsidiary Company are same i.e. from 1.4.2022 to 31.3.2023
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable
5	Share capital: Authorised share capital : Paid-up share capital:	 Rs. 125,00,00,000 Rs. 120,00,00,000	 Rs. 35,00,00,000 Rs. 12,00,52,710
6	Reserves & surplus (Rs./Mn.)	(14.22)	167.12
7	Total assets (Rs./Mn.)	1281.59	474.35
8	Total Liabilities (Rs./Mn.)	1281.59	474.35
9	Investments (Rs./Mn.)	780	NIL
10	Turnover/Total Income (Rs./Mn.)	5.15	231.95
11	Profit before taxation (Rs./Mn.)	(7.72)	(70.29)
12	Provision for taxation (Rs./Mn.)	(1.90)	(17.71)
13	Profit after taxation (Rs./Mn.)	(5.82)	(52.58)
14	Proposed Dividend	NIL	NIL
15	% of shareholding	100%	51%*

1. Names of subsidiaries which are yet to commence operations: SPR Engenious Limited
2. Names of subsidiaries which have been liquidated or sold during the year: NIL
3. Names of subsidiaries which have been struck off during the year: SPR International Auto Exports Limited

*Holding 51% shares through SPR Engenious Ltd., Wholly owned subsidiary.

Part "B": Associates and Joint Ventures

This is not applicable, as there are no Associate Companies or Joint Venture Companies of the Company.

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Place: New Delhi
Date : May 8, 2023

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

INTRODUCTION

This report has been prepared in accordance with the SEBI Guidelines for Business Responsibility and Sustainability Reporting (BRSR). It aims to showcase enhanced transparency around how businesses are creating value by contributing towards a sustainable economy.

As this is the first year of reporting of BRSR for Shriram Pistons & Rings Limited (SPRL), the report has been prepared on best effort basis. This report underlines our incessant effort to create long-term value for our stakeholders, as we contribute towards promoting sustainable development.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN)	L29112DL1963PLC004084
2.	Name of the Listed Entity	Shriram Pistons & Rings Limited
3.	Year of incorporation	1963
4.	Registered office address	3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi- 110001
5.	Corporate address	
6.	E-mail	compliance.officer@shrirampistons.com
7.	Telephone	011-23315941
8.	Website	https://shrirampistons.com/
9.	The financial year for which reporting is being done	2022-23
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange
11.	Paid-up Capital	₹ 22,02,49,120
12.	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Name: Pankaj Gupta Designation: Company Secretary Email: compliance.officer@shrirampistons.com Phone: 011-23315941
13.	Reporting boundary	The disclosures under this report are made on Standalone basis.

II. Products/Services

14. **Details of business activities *(accounting for 90% of the turnover):***

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
i	Manufacturing & Sale of automotive components	Pistons, Pins, Rings, Engine Valves, Cylinder Liners etc.	95%

15. **Products/Services sold by the entity *(accounting for 90% of the entity's turnover):***

S. No.	Product/Service	NIC Code	% of total Turnover contributed
i	Piston, Piston Rings, Pistons Pins, Engine Valves and Cylinder Liner	281; Sub-division: 2811	95%

III. Operations

16. **The number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	3 plants and 5 assembly units	1 Head Office and 5 Regional Sales Office	14
International	-	-	-

17. **Markets served by the entity:**

a. Number of locations

Locations	Number
National (No. of States)	28 States and 6 Union Territories
International (No. of Countries)	30

b. What is the contribution of exports as a percentage of the total turnover?

	FY 2022-23
Contribution of Exports	19%

c. A brief on types of customers

Shriram Pistons & Rings Ltd. (SPRL)'s customers can be broadly classified into the following categories:

Domestic - OEMs

- Aftermarket

International - OEMs

- Aftermarket

IV. Employees

18. **Details as at the end of the Financial Year:**

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
i	Permanent (D)	1359	1305	96.0	54	4.0
ii	Other than Permanent (E)	22	18	81.8	4	18.2
iii	Total employees (D + E)	1381	1323	95.8	58	4.2
Workers						
iv	Permanent (F)	2548	2548	100	-	-
v	Other than Permanent (G)	4385	4301	98.1	84	1.9
vi	Total workers* (F + G)	6933	6849	98.8	84	1.2
* Excludes Contractual Workmen						

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently-abled employees						
i	Permanent (D)	1	1	100	-	-
ii	Other than Permanent (E)	-	-	-	-	-
iii	Total differently abled employees (D+E)	1	1	100	-	-
Differently-abled workers						
iv	Permanent (F)	10	10	100	-	-
v	Other than permanent (G)	18	18	100	-	-
vi	Total differently abled workers (F+G)	28	28	100	-	-

19. **Participation/Inclusion/Representation of women**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	11*	2	18.18
Key Management Personnel	3	-	-

*Apart from the above there is one Alternate Director.

20. **The turnover rate for permanent employees and workers**

	FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total
Permanent Employees	7%	15%	8%	6%	4%	6%
Permanent Workers	2%	-	2%	3%	-	3%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. **(a) Names of holding/subsidiary / associate companies / joint ventures**

S. No.	Name of the holding/ subsidiary(A)	Type	% of shares held by the listed entity	Is the entity indicated in the Business Responsibility initiatives? (Yes/No)
i	SPR Engenious Limited	Wholly owned subsidiary of the Company	100	No
ii	EMF Innovations Private Limited	Step-down Subsidiary	51% through SPR Engenious Ltd. (Wholly owned Subsidiary of the Company)	No

VI. CSR Details

22. **i** **Whether CSR is applicable** : Yes

Turnover (Mn. Rs.) : **26,050**

Net worth (Mn. Rs.) : 15,296

CSR Spend (Mn. Rs.) : 30.9*

*Includes unspent amount of Rs. 2.09 Million transferred to Unspent CSR Account as per sub-section (6) of Section 135 of the Companies Act, 2013.

VII. Transparency and Disclosures Compliances

23. **Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23			FY 2021-22		
		No. of complaints filed	No. of complaints pending resolution	Remarks	Number of complaints filed during the year	No. of complaints pending resolution	Remarks
Communities	Yes	Nil	Nil	-	Nil	Nil	-
Investors (other than shareholders)	Yes	Nil	Nil	-	Nil	Nil	-
Shareholders	Yes	Nil	Nil	-	Nil	Nil	-

Stakeholder group	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23			FY 2021-22		
		No. of complaints filed	No. of complaints pending resolution	Remarks	Number of complaints filed during the year	No. of complaints pending resolution	Remarks
Employees and workers	Yes	Nil	Nil	-	Nil	Nil	-
Customers	Yes	77	Nil	Refer Note*	62	Nil	Refer Note*
Value Chain Partners	Yes	Nil	Nil	-	Nil	Nil	-
*Considering normal turnaround time required for resolution of consumer complaints, all the complaints have been resolved during the year for all the businesses up to the customer satisfaction							

24. **Overview of the entity's material responsible business conduct issues**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
i	Threat to IC Engine due to Electrification and changes due to Advancement in Alternate Fuels	Both	Government push towards Electrification & use of Alternate Fuels in Vehicles to reduce Carbon Imprint	• Capture higher Market Share by continuously upgrading product technology to meet Alternate Fuel Engine specifications. • Capturing market share in Electric Vehicles through EMFi	Opportunity to increase Sales and Profits by designing niche products for Alternate Fuels IC Engines and also make inroads in Electric Vehicle market based on products in EMFi range
ii	Cyber Security	R	Information relating to Company's Operations, Business Partners, is available on various software being used	• Getting Cyber Risk Assessment done. • Implementation of Business Continuity Plans. • Data Centre Security & Network Security by having physical access controls. • Configuration of password policy in SAP/Non SAP system	Negative - Cyber Risk Assessment by independent party has been done to mitigate the risk. All precautions to ensure Hardware and Software safety are being undertaken.
iii	Natural Calamities, Fire & Environmental Issues	R	Disruption in Operations due to these factors can have an adverse impact on Company	• Meet & Exceed Statutory requirements. • Reservoirs with dewatering pumps to counter flooding, taking necessary steps to ensure Fire Safety	Negative- Any disruption in operations can lead to setback in achieving long term goals of the company
iv	Disruptions in Supply Chain & Economic Slowdown	R	Disruptions in Supply Chain due to ongoing Geopolitical situation and its impact of Economy	• Localization of Critical Imported Items. • Inventory Management. • Development of Flexible Production Model.	Negative- Any disruption in Supply Chain can have adverse impact on Company Operations. This is being effectively mitigated by taking all necessary measures.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://shrirampiston.com/investors-guide-2/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes								
4. Name of the national and international codes/certifications/ labels/ standards	ISO 14001 ISO 45001 IATF16949								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	• Maximise use of solar power & maximise heat recovery • Minimise ground water extraction • Compliance with all government rules and regulations • To achieve carbon neutrality by 2045								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	• 15% of total electricity requirement in Ghaziabad plant met from Solar Power. This is being explored in Pathredi Plant also. • R.O. of 200 KLD at Ghaziabad & 400 KLD at Pathredi installed to maximise recycling of water and to minimise water extraction. Both the plants are Zero Liquid Discharge. • All environment related authorizations/ approvals are in place • Current carbon footprint is 14.19 KgCO2Eq/ Kg of Dispatch in Ghaziabad and 16.24 KgCO2Eq/ Kg of Dispatch in Pathredi								
Governance, leadership and oversight									
7. Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements *(listed entity has flexibility regarding the placement of this disclosure)*	At Shriram Pistons & Rings Limited, we recognize that our business activities have a significant impact on the environment and society. As a responsible corporate citizen, we are committed to promoting sustainable development and reducing our carbon footprint. We are committed to reducing our greenhouse gas emissions and promoting the use of renewable energy sources. We have implemented energy-efficient practices and are exploring innovative technologies to reduce energy consumption and improve energy efficiency. We also recognize the importance of ethical labour practices and are committed to ensuring that our employees are treated with dignity and respect. We provide our employees with a safe and healthy work environment and offer training and development opportunities to help them grow to their full potential. In addition, we are committed to supporting local communities and creating social value through our business activities. We engage with our stakeholders to understand their needs and concerns and work collaboratively to address them.								

	We are working towards providing support to local communities in the areas of Healthcare, Education, Skill Enhancement & Women Empowerment. It is our endeavour to work towards the betterment of the marginalized section of the society. We believe that transparency and accountability are essential to our sustainability efforts and we are committed to maintaining open and transparent communication with all our stakeholders. We regularly monitor and report on our sustainability performance and strive to continually improve practices and reduce environmental impact. We believe that sustainability is not just a corporate responsibility but also an opportunity to create long-term value for all stakeholders. We are committed to promoting sustainable development and making a positive impact on society.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Board of Directors
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Shriram Pistons & Rings Limited has established a steering committee, led by the MD & CEO and comprises of Executive Director - Works (Ghaziabad / Pathredi), Executive Director - Marketing, CFO, CHRO, and SCM-Head, to oversee the organization's sustainability efforts. The committee is responsible for making decisions related to the organization's sustainability goals, performance, and future measures.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether the review was undertaken by the Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Quarterly								

11. Has the entity carried out an independent assessment/evaluation of the working of its policies by an external agency?

No.

12. If the answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/and human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of trainings held	Topics/principles covered under the training and its impact	% age of persons covered
Board of Directors	Being done on a regular basis	The Companies Act 2013, Sustainability Reporting, Project Safety, Business Responsibility Initiatives, Global Financial, Business Trends, CSR and Financial reporting etc.	100
Key Managerial Personnel	Being done on a regular basis	Code of Conduct, PERCOM Competency Pillar (Performance Management System), ESG, Sustainability Reporting, Prevention of Sexual Harassment, Global Business Trends, HR Policies and Employee Welfare	100
Employees other than BoD and KMPs	34	Town-hall Meetings with employees to share Management Vision, Prevention of Sexual Harassment, PERCOM Competency Pillar, Communication skills, Daily work management, Finance for Non-Finance, Negotiation Skills, Managerial Excellence, Effective Leadership, Strategic Planning & Goal Setting, ESS Training, Handling Customer Complaints, Effective Leadership and Conflict Management at Workplace	95
Workers	1087	Town-hall Meetings with workmen to share Management Vision, 5S & TPM Awareness, PERCOM Awareness, Abnormal Situation Handling, Training on Handling & Maintenance of Specific Machines, Final Inspection, Training on route cause analysis of various in process defects, Behaviour & Discipline, On time Delivery, Prevention of sexual harassment, EHS Awareness and Hazard Identification & Risk Assessment (HIRA)	88.33

2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principles	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In INR)**	**Brief of the case**	**Has an Appeal been preferred? (Yes/ No)**
Penalty/ fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-
Non-Monetary					
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

Yes, the Company has defined guidelines on anti-corruption as a part of Code of Conduct. The web-link is: https://shrirampiston.com/investors-guide-2/.

5. Number of Directors/ KMPs/ Employees/ Workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23	FY 2021-22
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest:

Not applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total Number of awareness programmes held	Topics/ principles covered under the training	% of value chain partners covered (by value of business done with such partners) under awareness programmes
15	Safety Practices, Management Programs, Fire Safety, Core Tools, Green Supplier Certification	100

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes. This is covered under the Code of Conduct which is available on the Company's website. Annual declaration regarding compliance of Code of Conduct is taken from all the Board Members.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (Capex) investments in specific technologies to improve the environmental and social impact of products and processes to total R&D and Capex investments made by the entity, respectively.

	FY 2022-23	FY 2021-22	Details of Improvements in environmental and social impact
R&D	100%	100%	R&D is being done to design products to meet the emission norms set by the Government
Capex	7%	5%	i. Solar Power ii. Replacing office fans having conventional motor with fans having BLDC motor iii. Replacing conventional motors of shop floor fans with BLDC motor iv. Replacing conventional lights with LED's v. Conversion of chip melting and DG on PNG gas vi. Installation of intelligent evaporator for final water treatment vii. Contactless temp monitoring system viii. RO units and mist extractions

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, the Company has procedures in place for sustainable sourcing.

b. If yes, what percentage of inputs were sourced sustainably?

Sustainable sourcing is done for domestic purchase (>60% by value) from suppliers, who are either certified for ISO 14000 or OHSA 18000.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) Other waste.

We have ideal waste management practices in place for plastics, e-waste, and hazardous waste. We work with certified partners to co-process waste.

Waste is collected, dismantled, segregated and stored based on the category of waste, with hazardous waste disposed off within 90 days. All waste is disposed off for recycling or final disposal in accordance with generation, accumulation, and safety standards. The following is the disposal process for the various types of waste:

Plastic Waste - Disposed off to the authorized vendor for re-cycling

E-waste - Disposed off to the authorized vendor for re-cycling

Hazardous Waste –

i. Oily Cotton Rags - Disposed off to the authorized party for co-processing

ii. Grinding Sludge - Disposed off to the authorized party for treatment & recycling

iii. ETP Sludge - Disposed off to the authorized party for co-processing

iv. Used/ Waste Oil - Disposed off to the authorized party for incineration

v. Empty Container - Disposed off to the authorized party for treatment & recycling

vi. Multi Effect Evaporator Salt - Disposed off to the authorized party for landfilling at Government authorized site

vii. Aluminium Dross - Disposed off to the authorized party for recycling

Other Waste - All other non-hazardous waste are sold off to established scrap dealers.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes /No). If yes, whether the waste collection plan is in line with the EPR plan submitted to Pollution Control Boards (PCB)? If not, provide steps taken to address the same.

Yes. Waste collection plan was in line with the EPR Plan submitted with PCB.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B / A)	No. (C)	% (C /A)	No. (D)	% (D / A)	No. (E)	% (E / A)	No. (F)	% (F / A)
Permanent employees											
Male	1305	1305	100	1305	100	-	-	-	-	-	-
Female	54	54	100	54	100	54	100	-	-	-	-
Total	1359	1359	100	1359	100	54	3.97	-	-	-	-
Other than Permanent employees											
Male	18	18	100	18	100	-	-	-	-	-	-
Female	4	4	100	4	100	4	100	-	-	-	-
Total	22	22	100	22	100	4	18.2	-	-	-	-

b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B / A)	No. (C)	% (C /A)	No. (D)	% (D / A)	No. (E)	% (E / A)	No. (F)	% (F / A)
Permanent workers											
Male	2548	2548	100	2548	100	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	2548	2548	100	2548	100	-	-	-	-	-	-
Other than Permanent workers											
Male	4301	4301	100	1467	34.11	-	-	-	-	-	-
Female	84	84	100	29	34.52	31	36.9	-	-	-	-
Total	4385	4385	100	1496	34.11	31	0.71	-	-	-	-

2. Details of retirement benefits, for the current and previous financial year

Benefits	FY 2022-23			FY 2021-22		
	% of total employees covered	% of workers covered	Deducted and deposited with the authority (Y/N/N.A.)	% of total employees covered	% of workers covered	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	100	100	Y	100	100	Y

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, necessary arrangements are done to promote accessibility for differently abled employees and workers.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

Yes, currently the company has adopted a policy on equal opportunity as per the Rights of Persons with Disabilities Act, 2016. The web-link is https://shrirampiston.com/investors-guide-2/.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

	Permanent employees		Permanent workers	
Gender	**Return to work rate**	**Retention rate**	**Return to work rate**	**Retention rate**
Male	N/ A	N/ A	N/ A	N/ A
Female	100%	100%	N/ A	N/A
Total	100%	100%	N/A	N/A

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, an approved Grievance Committee of 20 members, including workers and staff from each plant has been setup, so that entire plant is covered. Monthly meeting is conducted in which grievances are noted from each plant representative. The issues are further escalated to the concerned Department for resolving within the defined time frame. The status of resolved or pending issues are informed to all concerned.
Other than Permanent Workers	
Permanent employees	
Other than permanent employees	

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Category	**FY 2022-23**			**FY 2021-22**		
	Total employees/ workers in respective category (A)	**No. of employees / workers in respective category, who are part of association(s) or union (B)**	**% (B / A)**	**Total employees/ workers in respective category (C)**	**No. of employees/ workers in respective category, who are part of association(s) or union (D)**	**% (D / C)**
Total Permanent Employees	-	-	-	-	-	-
- Male	-	-	-	-	-	-
- Female	-	-	-	-	-	-
Total Permanent Workers	3248	3248	100	3437	3437	100
- Male	3248	3248	100	3437	3437	100
- Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	**FY 2022-23**					**FY 2021-22**				
	Total (A)	**On health and safety measures**		**On skill up gradation**		**Total (A)**	**On health and safety measures**		**On skill up gradation**	
		No. (B)	**% (B / A)**	**No. (C)**	**% (C / A)**		**No. (B)**	**% (B / A)**	**No. (C)**	**% (C / A)**
Employees										
Male	1323	784	59	1105	84	1316	730	56	1263	96
Female	58	21	36	54	93	56	32	57	39	70
Total	1381	805	58	1159	84	1372	762	56	1302	95
Workers										
Male	6849	4573	67	5141	75	7087	4745	92	4825	68
Female	84	61	73	71	85	42	39	55	30	71
Total	6933	4634	67	5212	75	7129	4784	92	4855	68

* Data is based on actual attendance.

9. Details of performance & career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B / A)	Total (A)	No. (B)	% (B / A)
Employees						
Male	1323	1323	100	1316	1316	100
Female	58	58	100	56	56	100
Total	1381	1381	100	1372	1372	100
Workers						
Male	6849	6849	100	7087	7087	100
Female	84	84	100	42	42	100
Total	6933	6933	100	7129	7129	100

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?

Yes, a robust occupational health and safety management system has been implemented to ensure the safety of the entire workforce involved in the production process in the plants.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Regular inspections are conducted at plants to identify work-related hazards and assess risks.

c. Whether you have processes for workers to report work-related hazards and to remove themselves from such risks. (Y/N)

Yes, the Company has a safety incident reporting mechanism, as per which employees and workers can report any accidents, near miss incidents or identified safety hazards (unsafe acts and unsafe conditions) to site level safety committees and to the EHS department

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes

11. Details of safety-related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.9	-
	Workers	0.21	0.4
Total recordable work-related injuries	Employees	-	-
	Workers	4	4
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy workplace:

The Company recognises its workforce as the most valued asset and is dedicated to ensuring their safety and well-being. Measures have been implemented at all locations to provide everyone with a safe working environment. The following measures are implemented to ensure a safe working environment.

i. Medical Insurance coverage is provided to all Company personnel.

ii. First Aid and other medical services are readily available for all personnel at all locations.

iii. The Company believes in training its personnel on the best safety procedures and skills to ensure that they carry out their duties in an efficient and safe manner.

iv. Occupational Health is another aspect that is carefully monitored to ensure that all processes are safe and do not pose potential harm to health of its personnel.

v. Inspection Systems are put in place and regular audits are conducted to identify any potential shortcomings of the processes and ensure that any and all potential safety and health issues are mitigated.

13. Number of complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health and Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions:

Machinery has been updated to reduce potential threats posed towards the safety of the workers. Public areas of the plant are regularly assessed to identify threats to safety of all personnel and strict action is taken to remove the threats such as potholes in roads or any harmful objects idly present in the public areas of the plant.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, In the event of death of an employee/ worker, the Company provides appropriate compensation including accidental insurance compensation.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Business agreements with value chain partners mandates that the value chain partners comply with all the statutory laws, Regulations and rules made thereunder. The company undertakes due diligence from time to time to ensure compliance by the value chain partners.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/ workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	1	Nil	1	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Extensions/ Contractual employment is given to retiring employees on case to case basis. Additionally, medical insurance continuity is being provided for retirees.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety Practices	100
Working Conditions	100

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No significant risks or concerns were identified from assessment of health and safety practices and working conditions of value chain partners.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Stakeholders were selected based on their influence (via internal decisions and policies) on Company and impact on their business due to the Companies business choices and the implications of those decisions. The Company has identified both internal stakeholders (employees, senior management, and the Board of Directors) and external stakeholders (value chain partners, consumers and community).

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Y/N)	Channel of Communication (Email/SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of Engagement (Annually/ Half yearly/ Quarterly/ Other please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement.
Employees	No	Emails, Meetings, Training programs, Employee engagement activities, Town hall meetings, Interaction with Leadership team	Regularly	Vision of the Company, Short term/ Medium term/ Long term goal sharing, Welfare of employees and their families, sensitising on core values
Shareholders	No	Annual General Meeting, Corporate website, Annual Report, Social media, Grievance Redressal Mechanism	Quarterly/ Annually	Improved profitability and growth of organisation, Transparent and effective communication, Investor servicing, Sound corporate governance mechanisms
Regulatory Bodies	No	Regular inspections, Periodic reports, Regular direct and indirect interactions through industrial associations and other bodies	Monthly/ Annually/ need based	Compliance of rules and regulations, Submission of reports under various statutes at specific intervals, Response to any issues raised by government/ regulatory authority, Tax revenues,
Communities	Yes	Open dialogue with local communities, Need based surveys to understand community requirements, Awareness meets and Health camps, Celebration of cultural festivals (Holi, Shriram Mela, Navratri, Raksha Bandhan etc.) and other occasions (Environment day, Safety day, Founders Day etc.)	Regularly	Health and hygiene in rural community, Education & infrastructure, Water conservation

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Y/N)	Channel of Communication (Email/SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of Engagement (Annually/ Half yearly/ Quarterly/ Other please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement.
Value Chain Partners	No	Regular Meet with suppliers, Plant visits	Need Based	Share best practices among industries, Competency development of local vendors
Customers	No	Regular personal interactions and discussions, Market surveys, Customer surveys, Plant visits	Need Based	Prompt response to customer complaints, Focus on Product/service quality and timely delivery, Building trust among the customers

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The review of all shareholder related matters are reviewed by the Stakeholders Relationship Committee (SRC) and the Corporate Social Responsibility (CSR) programmes of the Company are reviewed by the Corporate Social Responsibility Committee of the Company. The Board is kept abreast on various developments and feedback on the same is sought from the Directors.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, the Company undertakes consultation with stakeholders to help identify and prioritize environmental and social issues as part of its CSR activities.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   The Company through its CSR initiatives, provide necessary support to the vulnerable/marginalised community. Through its various CSR initiatives, the Company provides healthcare support, old age home development, education support to the students, skill development trainings, support to specially-abled group and women empowerment.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. employees/ workers covered (D)	% (D / C)
Employees						
Permanent	1359	536	39.4	1387	459	33.1
Other than permanent	22	7	31.8	16	3	18.8
Total Employees	1381	543	39.3	1403	462	32.9
Workers						
Permanent	2548	2400	94.1	2737	2537	92.7
Other than permanent	4385	3827	87.3	4253	4009	94.3
Total Workers	6933	6227	89.8	6990	6546	93.6

2. Details of minimum wages paid to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	1359	-	-	1359	100	1095	-	-	1095	100
Male	1305	-	-	1305	100	1070	-	-	1070	100
Female	54	-	-	54	100	25	-	-	25	100
Other than Permanent	22	-	-	22	100	18	-	-	18	100
Male	18	-	-	18	100	17	-	-	17	100
Female	4	-	-	4	100	1	-	-	1	100
Workers										
Permanent	2548	-	-	2548	100	2737	-	-	2737	100
Male	2548	-	-	2548	100	2737	-	-	2737	100
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent	5403*	964	18	4439	82	4829	445	9	4384	91
Male	5317	962	18	4355	82	4817	445	9	4372	91
Female	86	2	2	84	98	12	-	-	12	100

* Includes Contractual workers

3. Details of remuneration/salary/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (Rs. Mn)	Number	Median remuneration/ salary/ wages of respective category (Rs. Mn)
Board of Directors (BoD)	9	5.1	2	4.6
Key Managerial Personnel	3	15.5	-	-
Employees other than BoD and KMP	1305	0.74	54	0.79
Workers*	5333	0.29	84	0.15
*Does not include Contractual Workers				

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed by the business?

An ESG Steering Committee under the social pillar has a meeting every quarter for addressing human rights impacts or issues caused or contributed by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Monthly grievance meeting is held in all departments wherein the HRD team along with plant manager and core team members help redress all grievances raised by employees of that department.

6. Number of complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour/ Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases are a part of the Grievance Policy, POSH Policy, and Whistle Blower Policy.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes.

9. Assessments for the year:

	% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)
Child labour	**100**
Forced Labour/Involuntary Labour	**100**
Sexual harassment	**100**
Discrimination at workplace	**100**
Wages	**100**
Others – please specify	**-**

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above

No concerns were raised from the assessments.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity:

Parameter	FY (2022-23) In MJ	FY (2021-22) In MJ
Total electricity consumption (A)	624,745,832	705,001,252
Total fuel consumption (B)	64,753,359	57,950,311
Energy consumption through other sources (Solar) (C)	21,746,682	-
Total energy consumption (A+B+C)	711,245,873	762,951,563
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	27,303,11 MJ/Mn.Rs	39,952,18 MJ/Mn.Rs

2. Does the entity have any sites/facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken if any.

No, the entity doesn't have any sites/facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India

3. Provide details of the following disclosures related to water:

Parameter	FY (2022-23)	FY (2021-22)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	3,50,016	3,31,092
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	3,50,016	3,31,092
Total volume of water consumption (in kilolitres)	3,50,016	3,31,092
Water intensity per rupee of turnover (Water consumed / turnover)	13.4 KL/Million Rs.	16.0 KL/ Million Rs.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation

Mechanism for Zero Liquid Discharge has been implemented in both plants – Ghaziabad and Pathredi.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY (2022-23)	FY (2021-22)
Nox	PPM	346.17	282.92
Sox	µg/m3	4.17	4.63
Particulate matter (PM)	µg/m3	58.52	55.16
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others (Co2)	-	-	-

Note: The sources of air emissions primarily originate from the DG, Furnaces and Fume Extractors, and these sources are monitored at specific intervals by a recognized laboratory or agency, as mandated by the Central and respective State Pollution Control Boards. The specifics of the air emissions are then disclosed to the PCB on an annual basis through Form-5 (Annual Environment Statement).

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY (2022-23)	FY (2021-22)
Total Scope 1 emissions	TCo2e	3673	3872
Total Scope 2 emissions	TCo2e	176250	156118
Total Scope 1 and Scope 2 emissions per rupee of turnover	KgCo2e/Rs	6.91	7.75

7. Does the entity have any project related to reducing Green House Gas emissions? If Yes, then provide details.

The plant at Ghaziabad has started procuring renewable power from the grid as a part of the total power procured. Further initiatives have also been taken as given below:

- The Company has converted all operations running on HSD to PNG, e.g.- Boiler, Furnaces, Canteen cooling, Foundry operations.

- Energy saving initiatives have been taken such as Conventional fan motors replaced with BLDC and Conventional lights replaced with LED
- Installed VFD in chilled water pumps for saving energy

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY (2022-23)	FY (2021-22)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	117	100
E-waste (B)+ Battery waste (E)	18	11
Bio-medical waste(C)	-	-
Construction and demolition waste (D)	-	-
Empty container (H)	29	24
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	3482	3037
Other Non-hazardous waste generated (H). Please specify, if any.	7632	7412
Total (A+B + C + D + E + F + G)	11278	10584
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
(i) Recycled	2714	2072.5
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	2714	2072.5
For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)		
(i) Incineration	188	203
(ii) Landfilling	108	111
(iii) Other disposal operations	12616	11833
Total	12912	12147

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Our waste management methods ensure that hazardous waste, e-waste, and other waste is disposed off safely. We handle, separate, store, and transport hazardous waste in compliance with industry regulations and best practices. Hazardous waste is disposed off and recycled in an environmentally sustainable manner by licenced vendors, as per regulations.

10. If the entity has operations/offices in/around ecologically sensitive areas where environmental approvals/clearances are required, please specify details

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance being complied with? (Y/N)
N/A	N/A	N/A	N/A

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws

Not applicable

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder

Yes

S. No.	Specify the law/ regulation/ guidelines which were not complied with	Provide details of the non-compliance	Any fines / penalties /action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
None				

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. Number of affiliations with trade and industry chambers/ associations:

14 (fourteen)

2. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Indo German Chamber of Commerce	International
3	Automotive Component Manufacturers Association of India	National
4	Engineering Export Promotion Council	National
5	PHD Chamber of Commerce and Industry	National
6	Indian Trade Promotion Organisation	National
7	Association Chamber of Commerce & Industry of Uttar Pradesh	National
8	Aluminium Association of India	National
9	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
10	The Associated Chambers of Commerce & Industry in India (ASSOCHAM)	National

3. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Nil	Nil	Nil

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
The company has not conducted any social impact assessment.					

2. Provide information on the project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

As part of the program design regular feedback is taken and grievances of the community are addressed. Suggestions schemes are available at both Plants.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	205	195
Sourced directly from within the district and neighbouring districts	36%	33%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In Million INR)
1	Uttar Pradesh	Ghaziabad	15.7
2	Rajasthan	Alwar	15.2

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

(b) From which marginalized /vulnerable groups do you procure?

(c) What percentage of total procurement (by value) does it constitute?

While the criteria for selection of goods and services is quality, reliability and cost, Company gives preference to diversified supply chain partners with small scale industries who meet its quality, delivery, cost and technology expectations.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not applicable		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Environment Preservation	15,000+	60
2	Healthcare	70,000	90
3	Education	3500	100
4	Rural Development	2000	80
5	Self-defence training	150	90
6	Vocational skills initiative	200	100
7	Sanitation Initiatives	1000	100

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback

The Company provides multiple avenues to customers to raise queries or complaints and provide feedback. Our Sales/QA team is in regular touch with our customers to ensure that timely resolution of customer queries is provided.

2. Turnover of products and/or services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Nil
Safe and responsible usage	Nil
Recycling and/or safe disposal	100

3. Number of consumer complaints in respect of the following:

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at the end of the year		Received during the year	Pending resolution at the end of the year	
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential Services	Nil	Nil	-	Nil	Nil	-
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Other	Nil	Nil	-	Nil	Nil	-

4. Details of instances of a product recall on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	N/A
Forced recalls	Nil	N/A

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company has in place a Cyber Security Policy. The web-link is https://shrirampiston.com/investors-guide-2/.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on the safety of products / services:

Post a breach in systems, a “system restoration plan” was implemented to restore safety of systems and further protection was provided via installation of latest Antivirus products on all systems.

SIMULATION

- Piston FEA
- Engine Valve FEA
- Ring Dynamic
- Piston Dynamic
- Casting
- CFD Simulation

PROTO LINE

- Piston Sample Manufacturing Facility
- Rapid Prototyping

RIG TESTING

- Hydro- Pulsator
- Wear & Tear
- Coating Scuffing

ENGINE TESTING

- Performance
- Endurance
- Cold & Hot Scuff
- Micro-welding
- Temperature

CONCEPT DESIGN

- Concept Design
- Design Algorithm
- CAD Platforms

LAB ANALYSIS

- Fine Measurements
- 3D Scanning
- SCM Analysis
- Metallurgic Analysis

END TO END PRODUCT DEVELOPMENT FACILITY

Recognition by DSIR- Govt. of India

EMERGING **TECHNOLOGIES**

SPR Initiatives towards H_2 Fuel

Internal combustion engines (ICE) have excellent cost, reliability and also good efficiency compared to other possibilities like batteries or fuel cells.

+

H_2 has potential to become the fuel of the future:

- Less conversion loss than e-Fuels.
- CO_2 neutral.

Challenges with H_2

- ε 10:1 – 12:1 → Accommodate combustion bowl geometry ;
- Oil consumption → CO_2 emissions (<1%) ;
- Blow-by → Possible ignition at crankcase(?) ;
- Surface temperature → Pre-ignition + knocking + Embrittlement ;
- Top land crevice volume → H_2 unburnt emissions & efficiency

Solutions for Piston Assy :

Special Combustion Bowl Shape

Low Top-land (lower crevice)

I

Asy. Barrel Rectangular IP-251 Plated Ring

Taper Comp Steel Reverse Torsion Ring

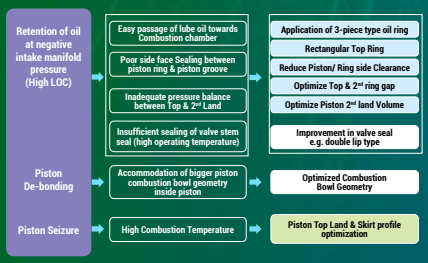
III

Rikvent Oil Ring (3-Piece)

SPR Initiatives towards CNG Fuel

CNG is becoming a very popular choice of Fuel due to its low emissions characteristics. It is becoming a preferred choice for personal and public transportation.

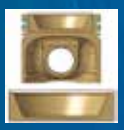
Challenges with CNG



Solutions for Piston Assy :

Piston Design / Crown for Gasoline NA MPFI Engine

To Accommodate CR for CNG Application Piston Crown get change



Rectangular Top Ring (CPC Coated)

Second Ring (negative twist)

3-Piece Oil Ring

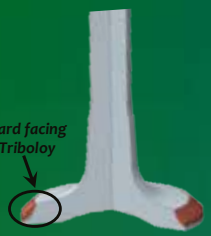
CNG Application: Engine Valve Technologies

Challenges with CNG Fuel

CNG environment is very Dry and contains little oxygen and lubrication. Leading to very high wear rates in traditional hard facing alloys (stellite materials)

Engine valve solution

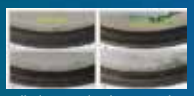
Triboloy T-400 material used Microstructure of T-400 contains intermetallic compounds of Mo and Si which maintains hardness even at high temperature



Existing: Stellite

Stellite Coating in CNG valve Fae Wear **40 µ/max**

New Technology: Triboloy



Triboloy Coating in CNG valve Face Wear **14 µ/max**

65% reduction in Wear rate

Stellite

Triboloy

Matrix : Co - Cr Solid solution
Carbide : M_7C_3 (M = Cr,Mo)
Intermetallic compound : (Co, Mo),Si
Intermetallic phase: Laves phase

Thermally stable upto 790°C
Contains 28% Mo for higher wear resistance

Ethanol Blended Fuel Application Piston Assembly Technologies

Government is focusing on use of alternative fuel for automotive application to restricts the import of fuel & also to meet the clean environmental goal.

Challenges with Ethanol Blended Fuel

Concern	Affect On Piston Assembly	Potential Countermeasures
Lube Oil Dilution	High ring wear	PVD coated Top Ring
High Sludge	High groove wear	Cr/PVD coated 2nd ring
Formation	Top Ring Sticking	PVD coated Oil ring
High corrosive environment		Piston Top Groove Anodizing
High groove wear		

Ring Pack Solutions

Rectangular I.D. Bevel Steel Top Ring (PVD Coated)

Taper O.D. Stepped Steel 2nd Ring with Cr/PVD coating

3-Piece Oil Control Ring (PVD Coated)

Ethanol Blended Fuel Application: Engine Valve Technologies

Challenges with Ethanol Blended Fuel

- High thermal stresses
- High Seat wear due to metal to metal contact
- Rusting/corrosion
- Fatigue Failure

Engine valve solutions for Ethanol Blending

HEAD MATERIAL
Below are countermeasures for **high thermal stresses**
- **Intake:** Austenitic material used at head side
- **Exhaust:** Nickel based materials used in higher % of Ethanol

SEAT HARD FACING/ NITRIDED SEAT
Below are countermeasures for **high seat wear/ fatigue failure**
- **Intake:** Nitrided seat used & for higher % ethanol seat hard facing is used
- **Exhaust:** Seat hard facing is used to improve wear resistance

AWARDS AND **ACCOLADES**

Award for Delivery Management - **Honda 2 Wheelers**

Award for Quality System Excellence - **FICCI**

Award for Golden Peacock for Excellence in Corporate Governance - **IOD, London**

Award for Atmanirbhar Excellence in Exports - **ACMA**

Award for Top 50 Innovative Companies - **CII**

Award for Appreciation for NPD Partnership - **Kirloskar Oil Engines**

AWARDS AND **ACCOLADES**

Award for Excellence in Quality & Delivery - **Honda India Power Products**

Award for Partnership Excellence - **my TVS**

Award for TPM Excellence for Ghaziabad & Pathredi Plant - **JPIM, Japan**

BHAMASHAH SAMMAN (CSR) - **Government of Rajasthan**

Award for Quality (Gold & Silver Category) - **Bajaj Auto Limited**

Appreciation Award - **Hyundai**

GOLDEN PEACOCK AWARD

for "Excellence in Corporate Governance" 2022

Shri Pradeep Dinodia, Chairman and Shri Krishnakumar Srinivasan, MD & CEO receiving the award

Effective corporate governance is critical to our success and helps us ensure that we work towards our long-term goals and objectives, managing potential risks, complying with legal and regulatory requirements, and making informed decisions that align with our organizational goals.

DYNAMIC **MANAGEMENT TEAM**

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

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

INDEPENDENT AUDITOR'S REPORT

To The Members of Shriram Pistons & Rings Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Shriram Pistons & Rings Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue recognition with respect to cut-off:** Revenue from contracts with customers for the year ended March 31, 2023 is Rs. 26,050.26 Million. Revenue from sale of products is recognized upon transfer of control to the customers. There is risk of cut-off in which revenue transactions occurring close to and after the year end could be recorded in the financial year ended March 31, 2023. This is considered as a key audit matter. (Refer to Note 20 to the standalone financial statements)	**Principal audit procedures performed:** • We have assessed the Company's accounting policy relating to revenue recognition. We have compared the policy with the Accounting Standards on "Revenue Recognition"; • We understood the processes and evaluated the design and implementation of the Company's controls; • We tested the operating effectiveness of the Company's controls over the recording of sales close to the year end; • We selected samples for detailed testing. We obtained the understanding of the terms of sales and tested the documentation including proof of delivery of the goods, underlying contracts and agreements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board's Report and Business Responsibility and Sustainability Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

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

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

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

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the standalone financial statements.

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

   e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

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

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

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements- Refer Note 37 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts- Refer Note 44 to the standalone financial statements;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company- Refer Note 45 to the standalone financial statements.

iv. (a) The Management has represented that, to the best of it's knowledge and belief, other than as disclosed in the 39(i) to the standalone financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable

The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

As stated in Note 12(f) to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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

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

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.015125N)

Jitendra Agarwal
(Partner)
(Membership No. 087104)
(UDIN: 23087104BGYKWW8024)

Place: New Delhi
Date: May 8, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Shriram Pistons & Rings Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone 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 issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

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

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial

statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.015125N)

Jitendra Agarwal
(Partner)
(Membership No. 087104)
(UDIN: 23087104BGYKWW8024)

Place: New Delhi
Date: May 8, 2023

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Capital work-in- progress and relevant details of right of use of assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment and capital work-in-progress were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals.

No material discrepancies were noticed on such verification.

(c) Based on the examination of confirmation received by us from "IDBI Bank", custodian on behalf of all the term loans and working capital loan lenders, we report that, the title deeds of all the immovable properties, where the Company is the lessee and the lease agreements are duly executed in favour of the Company disclosed in the financial statements included in Right of use Assets are held in the name of the Company as at the balance sheet date.

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

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

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

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at any point of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly statements filed by the Company with such banks are in agreement with unaudited books of account of the Company of the respective quarters. The Company is yet to submit the statement for the quarter ended March 31, 2023 with the banks.

(iii) (a) The Company has not provided any guarantee or security to Companies, firms, Limited Liability Partnerships or any other parties during the year. However, the Company has made investments and granted loans or advances in the nature of loans during the year, in respect of which:

Details of investment made are as mentioned below: (Amount in Rs. Mn)

Name of the Party	Type of instrument	Amount of Investment made
SPR Engenious Ltd.	Equity instrument	1,200

Details of loan granted are as mentioned below: (Amount in Rs. Mn)

Particulars	Amount of Loans	Advances in the nature of loans
A. Aggregate amount granted / provided during the year:		
- Subsidiary	15	-
- Others	-	27.82
B. Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiary	-	-
- Others	-	20.41

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

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated. In respect of advances in the nature of loans provided by the Company, the schedule of repayment of principal has been stipulated, other than payment of interest and the repayments of principal amounts and receipts of interest, wherever applicable are regular as per stipulation.

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

(e) No loan or advance in the nature of loans granted by the Company which has fallen due during the year,

has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

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

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) In our opinion the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted and amounts deemed to be deposits accepted. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.

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

(vii) In respect of statutory dues:

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

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Period to which the amount relates (various years covering the period)	Forum where dispute is pending	Amount Involved* (Rs. Million)	Amount Unpaid (Rs. Million)
The Income tax Act, 1961	Income tax	2003-04, 2004-05, 2015-16, 2016-17, 2017-18, 2018-19 & 2020-21	Appellate authority up to Commissioners' level	63.75	0.00
Central Excise Act, 1944	Excise Duty	2013-14, 2014-15, 2015-16, 2016-17, 2017-18	Custom, Excise & Service Tax Appellate Tribunal (CESTAT)	9.54	9.33
Goods & Service Tax Act, 2017	Goods & Services Tax	2017-18, 2018-19	Appellate authority up to Commissioners' level	0.11	0.11
Central Sales Tax Act, 1956	Sales Tax	2012-13, 2015-16	Appellate Tribunal	1.60	1.19
Finance Act, 1994	Service Tax	2012-13, 2013-14, 2014-15 & 2015-16	Custom, Excise & Service Tax Appellate Tribunal (CESTAT)	18.77	18.26
Sales Tax Laws	Sales Tax / Value Added Tax/ Entry Tax	2007-08, 2008-09, 2016-17, 2017-18	Appellate authority up to Commissioners' level	51.34	42.93
Sales Tax Laws	Sales Tax / Value Added Tax/ Entry Tax	2010-11, 2011-12, 2012-13, 2015-16	Appellate Tribunal	35.52	21.15

*amount as per demand orders including interest and penalty wherever quantified in order.

The following matters, which have been excluded from the table above, have been decided in favour of the company but the department has preferred appeals at higher levels. The details are given below:

Name of the Statute	Nature of the Dues	Period to which the amount relates (various years covering the period)	Forum where dispute is pending	Amount* (Rs Million)
The Income tax Act, 1961	Income tax	2013-14 & 2014-15	Income tax Appellate Tribunal	10.03

*amount as per demand orders including interest and penalty wherever quantified in the order.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income-tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

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

(c) To the best of our knowledge and belief, in our opinion, the term loans were obtained by the Company during the year for the reimbursement of capital expenditure incurred in current and earlier years. Since, the purpose of the utilization of the term loans obtained by the Company was not stipulated. Hence, reporting under clause (ix)(c) of the Order is not applicable.

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

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

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

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

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

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

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

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

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

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

(b) We have considered, the internal audit reports finalised and issued to the Company during the year and covering the period upto March 31, 2023.

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

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

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

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

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

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

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.015125N)

Jitendra Agarwal
(Partner)
(Membership No. 087104)
(UDIN: 23087104BGYKWW8024)

Place: New Delhi
Date: May 8, 2023

Standalone Balance Sheet as at March 31, 2023

Rs. million

	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	5,374.25	5,763.35
b) Capital work-in-progress	3	45.73	46.94
c) Goodwill	4	14.85	14.85
d) Other Intangible assets	4	213.67	223.38
e) Right of use assets	4	662.91	888.66
f) Intangible assets under development	4	-	8.52
g) Financial assets			
(i) Investments	5	1,248.00	48.50
(ii) Other financial assets	6	865.96	254.99
h) Other non-current assets	8	270.96	252.59
		8,696.33	**7,501.78**
Current assets			
a) Inventories	9	3,315.82	3,334.79
b) Financial assets			
(i) Investments	5	674.97	271.75
(ii) Trade receivables	10	3,956.64	3,545.64
(iii) Cash and cash equivalents	11	285.38	195.18
(iv) Other bank balances other than (iii) above	11	5,923.77	3,301.98
(v) Other financial assets	6	199.37	72.79
c) Other current assets	8	298.88	277.29
		14,654.83	**10,999.42**
TOTAL ASSETS		**23,351.16**	**18,501.20**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	12	220.25	220.25
b) Other equity		15,075.28	12,330.01
		15,295.53	**12,550.26**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	13	1,372.91	403.39
(ii) Lease liabilities	34	228.59	193.44
(iii) Other financial liabilities	19	90.13	101.43
b) Provisions	14	287.22	262.65
c) Deferred tax liabilities (net)	16	220.87	220.16
d) Other non-current liabilities	15	4.40	4.04
		2,204.12	**1,185.11**
Current liabilities			
a) Financial liabilities			
(i) Borrowings	17	1,528.48	914.68
(ii) Lease liabilities	34	63.31	56.44
(iii) Trade payables	18		
- Total outstanding dues of micro and small enterprises		125.48	89.10
- Total outstanding dues of creditors other than micro and small enterprises		3,310.04	2,969.93
(iv) Other financial liabilities	19	122.71	147.84
b) Other Current Liabilities	15	526.92	481.26
c) Provisions	14	137.61	76.71
d) Current tax liabilities (net)	7	36.96	29.87
		5,851.51	**4,765.83**
TOTAL EQUITY AND LIABILITIES		**23,351.16**	**18,501.20**

See accompanying notes to the standalone financial statements 1-53

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)

Jitendra Agarwal
Partner
(Membership no. 087104)

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : May 08, 2023

Standalone Statement of Profit and Loss for the year ended March 31, 2023

Rs. million

		Note No.	For the Year ended March 31, 2023	For the Year ended March 31, 2022
I	Revenue from operations	20	26,050.26	20,646.64
II	Other income	21	462.30	292.12
III	**Total income (I+II)**		**26,512.56**	**20,938.76**
IV	**Expenses**			
	Cost of materials consumed	22	9,888.32	7,664.40
	Purchase of stock-in-trade		973.42	802.11
	(Increase) / Decrease in inventories of finished goods, work-in-progress and stock-in-trade	23	81.74	(596.81)
	Employee benefit expenses	24	4,136.96	3,917.64
	Finance costs	25	194.45	114.23
	Depreciation and amortisation expense	26	933.43	1,020.46
	Other expenses	27	6,335.05	5,814.68
	Total expenses		**22,543.37**	**18,736.71**
V	**Profit before tax (III-IV)**		**3,969.19**	**2,202.05**
VI	**Tax expense:**			
	i) Current tax	16	1,045.88	604.51
	ii) Deferred tax	16	(32.27)	(38.10)
			1,013.61	**566.41**
VII	**Profit for the year (V-VI)**		**2,955.58**	**1,635.64**
VIII	**Other comprehensive income**			
	A (i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the post employment defined benefit plans		117.17	33.06
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(29.49)	(8.32)
	B (i) Items that will be reclassified to profit or loss			
	a) Fair value change of cash flow hedge		13.87	(13.03)
	(ii) Income tax relating to items that will be reclassified to profit or loss		(3.49)	3.28
	Total other comprehensive income		**98.06**	**14.99**
	Total Comprehensive income (VII+VIII)		**3,053.64**	**1,650.63**
	Earnings per share (of Rs. 10/- each)	29		
	Basic (Rs.)		134.19	74.26
	Diluted (Rs.)		134.19	74.26
See accompanying notes to the standalone financial statements		1-53		

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)

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Partner
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Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : May 08, 2023

Standalone statement of Cash flows for the year ended March 31, 2023

Rs. million

			Year ended March 31, 2023	Year ended March 31, 2022
A.	**Cash flow from Operating Activities**			
	Profit for the year		2,955.58	1,635.64
	Adjustments for :			
	Tax expenses recognised in statement of profit and loss		1,013.61	566.41
	Depreciation/amortisation		933.43	1,020.46
	Finance costs		194.45	114.23
	Bad debts/advances written off		0.51	14.05
	Provision for doubtful debts (net)		6.55	(15.31)
	Interest income		(319.23)	(138.51)
	Net gain on sale/ fair valuation of current investment		(32.25)	(11.73)
	Unrealised exchange rate variation (net)		(27.24)	(26.26)
	Investment written off		0.50	-
	Profit/loss on sale / retirement of property, plant and equipment		(30.90)	(7.86)
	Fair value change in Cash flow hedges (net of tax)		10.38	(9.75)
	Remeasurement of post employment defined benefit plans (net of tax)		87.68	24.74
	Operating profit before working capital changes		**4,793.07**	**3,166.11**
	Adjustments for:			
	(Increase)/ Decrease in inventories		18.97	(592.63)
	(Increase)/ Decrease in trade receivables		(395.66)	(296.96)
	(Increase)/ Decrease in loans and other financial assets (current and non current)		(36.10)	(3.27)
	(Increase)/ Decrease in other assets (current and non current)		(12.45)	97.39
	Increase/ (Decrease) in trade payables		376.83	189.66
	Increase/ (Decrease) in other financial liabilities (current and non current)		167.24	139.88
	Increase/ (Decrease) in other liabilities and provisions (current and non current)		118.45	65.94
	Cash Generated from operations		**5,030.35**	**2,766.12**
	Income tax paid		(1,038.80)	(572.94)
	Net cash from operating activities	**(A)**	**3,991.55**	**2,193.18**
B.	**Cash Flow from Investing Activities**			
	Interest received		189.39	95.35
	Sale of tangible assets		55.02	18.98
	Proceeds from right of use assets (land)		259.74	-
	Investment in equity shares		(1,200.00)	(48.00)
	Purchase of tangible assets		(484.09)	(295.41)
	Purchase of intangible assets		(130.81)	(338.39)
	Purchase of Current Investment		(14,201.52)	(9,374.15)
	Proceeds from sale of Current Investment		13,830.54	9,458.20
	Increase/(Decrease) in margin money with banks		(49.71)	0.07
	Increase / (Decrease) in Deposits more than 12 months		(521.90)	(79.63)
	Net cash (used) in investing activities	**(B)**	**(2,253.34)**	**(562.98)**

Rs. million

			Year ended March 31, 2023	Year ended March 31, 2022
C.	**Cash Flow from Financing Activities**			
	Payment of lease liability		(81.37)	(76.45)
	Interest on lease liability		(22.04)	(23.64)
	Interest paid		(168.20)	(89.77)
	Dividend paid		(308.35)	(132.15)
	Payment for buyback of shares including transaction cost		-	(449.67)
	Net proceeds / (repayment) of borrowings		1,350.77	-
	Proceeds from deposits		11.33	210.63
	Payment of deposits		(206.12)	(346.17)
	Net cash from/(used) in financing activities	**(C)**	**576.02**	**(907.22)**
	Net Increase/(Decrease) in cash and cash equivalents	**(A+B+C)**	**2,314.23**	**722.98**
	Cash and cash equivalents at the beginning of the year		**2,772.84**	**2,049.86**
	Cash and cash equivalents at the end of the year		**5,087.07**	**2,772.84**
	Components of cash and cash equivalents			
	Cash in hand		0.43	0.89
	Balances with banks			
	- current accounts		284.95	184.29
	- Other bank balances		5,923.77	3,311.98
	Working Capital loan from banks (Secured / Unsecured)		(1,122.08)	(724.32)
			5,087.07	**2,772.84**

Notes to statement of cash flows:

1. The Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7.

2. Disclosure under Para 44A as set out in IND AS on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

Changes in liabilities arising from financing activities

Rs. Million

Particular	Outstanding balance as on April 01,2022	Net proceeds / (repayment) of borrowings	Unrealised foreign exchange gain/ (loss)	Outstanding balance as on March 31,2023
Long term borrowing (Including current maturities of long term debt)	-	1,350.77	(23.68)	1,374.45

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)

Jitendra Agarwal
Partner
(Membership no. 087104)

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
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Pankaj Gupta
Company Secretary

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Chief Financial Officer

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Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : May 08, 2023

Standalone Statement of Change in Equity as at March 31, 2023

a) Fully paid up equity shares

(face value of Rs. 10/- each)

	Nos of shares	Rs. million
Balance as at March 31, 2022	2,20,24,912	220.25
Changes during the year	-	-
Balance as at March 31, 2023 (refer note 12)	**2,20,24,912**	**220.25**

(b) Other Equity

Rs. million

Particulars	Reserves and surplus						Items of other comprehensive income	Total
	Preference share redemption reserve*	Capital redemption reserve*	Revaluation reserve*	Retained earnings	General reserve	Sub Total	Effective portion of cash flow hedge reserve	
Balance as at March 31, 2021	388.58	-	97.32	1,300.00	9,472.12	11,258.02	(0.30)	11,257.72
Profit for the year				1,635.64		1,635.64	-	1,635.64
Reversal on disposal of revalued assets			(0.03)	-	-	(0.03)	-	(0.03)
Dividends			-	(132.15)		(132.15)	-	(132.15)
Expense on buyback of equity shares**			-	(10.31)		(10.31)	-	(10.31)
Tax on buyback of equity shares**				(82.35)		(82.35)		(82.35)
Buyback of equity shares**		3.50	-	(353.50)	(3.50)	(353.50)	-	(353.50)
Other comprehensive income for the year, net of tax			-	24.74	-	24.74	(9.75)	14.99
Transfer to General reserve			-	(1,082.07)	1,082.07	-	-	-
Balance as at March 31, 2022	**388.58**	**3.50**	**97.29**	**1,300.00**	**10,550.69**	**12,340.06**	**(10.05)**	**12,330.01**
Profit for the year				2,955.58		2,955.58	-	2,955.58
Reversal on disposal of revalued assets			(0.02)	-	-	(0.02)	-	(0.02)
Dividends			-	(308.35)		(308.35)	-	(308.35)
Other comprehensive income for the year, net of tax			-	87.68	-	87.68	10.38	98.06
Transfer to General reserve			-	(2,734.91)	2,734.91	-	-	-
Balance as at March 31, 2023	**388.58**	**3.50**	**97.27**	**1,300.00**	**13,285.60**	**15,074.95**	**0.33**	**15,075.28**

* The revaluation reserve, preference share redemption reserve and capital redemption reserve are not “free Reserve” as per Companies Act 2013, hence not available for distribution of dividend.

** Refer note 48

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm’s Registration No. 015125N)

Jitendra Agarwal
Partner
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Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : May 08, 2023

Notes to the standalone financial statements for the year ended March 31, 2023

1. Corporate information

Shriram Pistons & Rings Limited ("the Company") having CIN No.- L29112DL1963PLC004084 is a public Company domiciled in India and incorporated on December 9, 1963 under the provisions of the Companies Act, applicable in India. Its equity share is listed on National Stock Exchange of India Ltd. The registered office of the Company is located at 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi 110001.

The Company's business activity falls under "automotive component". Primary products manufactured by the Company are pistons, piston pins, piston rings and engine valves.

The financial statements of the Company are approved for issuance by the Company's Board of Directors on May 08, 2023

2. Significant accounting policies

2.1.1 Basis of accounting and preparation of financial statements

The Standalone financial statements ("financial statements") have been prepared in accordance with the Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 and Companies (Indian Accounting Standards) Amendment Rules, 2017 issued by the Ministry of Corporate Affairs ('MCA').

The financial statements have been prepared under historical cost convention on accrual and going concern basis, except for the certain financial instruments which have been measured at fair value as required by relevant Ind ASs.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The buyback of equity shares and related transaction costs are recorded as reduction of retained earnings/general reserves. Capital redemption reserve is created as an apportionment from general reserves.

2.1.2 Fair Value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

- Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

2.1.3 Operating Cycle

Based on the nature of products/ activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Notes to the standalone financial statements for the year ended March 31, 2023

2.2. Use of estimates

The preparation of the financial statements is in conformity with Indian Accounting Standards (Ind AS) and requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3. Revenue recognition

Revenue from the sale of products or services is recognized upon transfer of control to customers. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example, taxes and duties collected on behalf of the government). A receivable is recognized upon satisfaction of performance obligations as per the Contracts and is measured at transaction price.

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

Other revenues are recognised on accrual basis, except where there are uncertainties in realisation / determination of income and in such case income is recognised on realisation / certainty.

2.4. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

2.5.1. Property, plant and equipment

Property, plant and equipment held for use in production or supply of goods and services, or for administrative purpose, are stated at cost (net of Input Tax Credits availed) including taxes and other incidental expenses related to acquisition, installation and borrowing cost on loan taken for the acquisition of qualifying assets upto the date the assets are ready for their intended use.

2.5.2. Intangible assets

Intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the entity and the cost of the asset can be reliably measured.

Intangible assets held for use in production or supply of goods and services, or for administrative purpose, are stated at cost (net of Input Tax Credits availed) including taxes and other incidental expenses related to acquisition, installation and borrowing cost on loan taken for the acquisition of qualifying assets upto the date the assets are ready for their intended use.

2.5.3. Capital work-in-progress

Capital work-in-progress represents expenditure incurred in respect of capital projects under development and are carried at cost. Cost includes related acquisition expenses, development/ construction costs, borrowing costs and other direct expenditure.

2.5.4. Intangible assets under development

All development costs incurred in respect of new model development projects are capitalised under Intangible Assets under Development. Once the new model is commercialised, the cost accumulated in Intangible Assets under Development are classified as Intangible Assets corresponding to the new model development project.

Notes to the standalone financial statements for the year ended March 31, 2023

2.5.5. Leases

Lessee Accounting

1. Lease liability is initially recognised and measured at an amount equal to the present value of minimum lease payments during the lease term that are not yet paid.
2. Right of use asset is recognised and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of the restoration costs and any initial direct costs incurred by the lessee. Right of use asset are amortise over the lease term.
3. The lease liability is measured in subsequent periods using the effective interest rate method. The right-of-use asset is depreciated in accordance with the requirements in Ind AS 16, Property, Plant and equipment.
4. Recognition and measurement exemption is available for low-value assets and short term leases. Assets of low value include IT equipment or office furniture. No monetary threshold has been defined for low-value assets. Short-term leases are defined as leases with a lease term of 12 months or less.

2.6. Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

The Company is following written down value method in case of Furniture, fixtures and office equipment and straight line method in respect of other assets.

Depreciation on tangible property, plant and equipment has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed based on technical advice, taking into account the nature, the estimated usage, operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance practices etc.

Plant and machinery

-	General	-	twenty years
-	Electric Installation / Equipment	-	fifteen years
-	Dies	-	three years
Road		-	twenty years
Bore well		-	fifteen years
Vehicle		-	five years
Furniture and Fixture / Office Equipment		-	five years

All intangible assets are amortised on straight-line method over their estimated useful life as under.

Computer Software	-	three years
Product Design	-	three years
Right of Use Assets - enabling assets	-	fifteen years
Right of Use Assets under leases	-	over the lease period
Trademarks acquired on acquisition	-	ten years
Customer Contracts acquired on acquisition	-	ten years

Assets costing up to Rs. 5,000 are fully depreciated in the year of acquisition.

Depreciation on assets acquired/sold/discarded during the year is charged on pro-rata basis except for Furniture, Fixtures and Equipments where full year's depreciation is computed in the year of acquisition and no depreciation is provided in the year of sale.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and the effect of any changes in estimate is accounted for on a prospective basis.

An item of property, plant and equipment and intangible asset is derecognised on disposal, or when no future economic benefit are expected to arise from the continued use of assets. Any gain and loss arising on the disposal of or retirement is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the statement of profit and loss.

2.7. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

Financial assets

All regular way purchases or sales of financial assets are accounted for at trade date basis. Regular way purchases or sales are purchase or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost

i) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

i) The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

Financial asset which are not classified in any of the above categories are subsequently measured at fair value through profit or loss (FVTPL).

Investments

Investment in subsidiaries is carried at amortised cost less impairment. Any permanent diminution in the value of investments is provided for in the books of account.

Investments in mutual funds and investment in equity instrument are measured at fair value through profit or loss.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost or at fair value through profit or loss (FVTPL). For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Fair value is determined in the manner described in note no 40.

Notes to the standalone financial statements for the year ended March 31, 2023

2.8. Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and cross currency interest rate swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

(i) Financial assets or financial liabilities, at fair value through profit or loss.

This category has derivative financial assets or liabilities which are not designated as hedges. Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through the statement of profit and loss and the resulting exchange gains or losses are included in the statement of profit and loss. Assets/liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance sheet date.

(ii) Hedge accounting

The Company designates the derivatives as hedge of foreign exchange risk associated with the cash flows of highly probable forecast transaction.

The Company documents at the inception of the hedging transaction the economic relationship between hedging instrument and hedge items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

When forward contracts are used to hedge forecast transactions, the Company generally designates related forward contract related as the hedging instruments.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognised in other comprehensive income and accumulated under the heading of cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to the statement of profit and loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. For the same, Company matches critical terms of hedge item and hedge instruments.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction and cross currency interest rate swap transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction and cross currency interest rate swap transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

Fair value is determined in the manner described in note no 40.

Notes to the standalone financial statements for the year ended March 31, 2023

2.9. Inventories

Inventories are valued on the following basis:

i) Raw materials and components - at lower of cost determined on weighted average basis or net realisable value.

ii) Stock in process – at lower of cost or net realisable value.

iii) Finished goods stock/Stock-in-trade - at lower of cost or net realisable value.

Cost of raw materials includes 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 includes cost of direct materials and labour and an appropriate proportion of manufacturing overheads based on the normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.10. Foreign currency transactions and translations

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing on or closely approximating to the date of transaction.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Advance received or paid in foreign currency are recognised at the exchange rate on the date of transaction and are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except exchange differences on transactions entered into in order to hedge certain foreign currency risks.

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

2.11. Employee benefits

Retirement benefit costs and termination benefits:

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

Contribution towards Provident Fund and Superannuation Fund is paid as per the statutory provisions/Company's scheme. These benefits are charged to the statement of profit and loss of the year when they become due. For the provident fund trust administrated by the trustees, the Company is liable to meet the shortfall, if any, in payment of interest at the rates declared by Central Government and such liability is recognised in the year of shortfall. For defined post-employment employee benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

i) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

ii) Net interest expense or income; and

iii) Remeasurement.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Leave availment / encashment benefit is provided as per Company's scheme. Employees are entitled to accumulate leaves subject to certain limit as per Company's scheme.

Liabilities for compensated absence that are not expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service, are measured at the present value of expected future payment to be made in respect of service provided by employees up to the end of reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of reporting period. Remeasurement as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss.

Employee benefits in the form of long service awards is provided as per Company scheme. The liability is determined through actuarial valuation using projected unit credit method.

2.12. Research and development

Revenue expenditure on research and development, inclusive of dies for new model development, is charged as expense in the year in which incurred. Capital expenditure is included in Property, plant, equipment and intangible assets.

2.13. Taxes on income

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.14. Borrowing costs

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

Notes to the standalone financial statements for the year ended March 31, 2023

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

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

2.15. Earnings per share

Basic earnings per share is calculated by dividing profit or loss attributable to the owners of the Company by weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split and any new equity issue.

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

2.16. Impairment of assets

The carrying values of Property, plant and equipment and Intangible assets or cash generating units are reviewed at each Balance sheet date for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the statement of profit and loss.

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

2.17. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.18. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.

When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.

Notes to the standalone financial statements for the year ended March 31, 2023

3. Property, plant & equipment

Rs. million

Particulars	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Dies	Total
Year ended 31 March 2022							
Gross carrying amount							
Opening gross carrying amount	1,622.78	9,072.13	55.85	133.53	181.74	143.48	11,209.51
Additions	10.72	476.63	7.88	2.96	33.57	27.06	558.82
Disposals	(1.44)	(18.40)	(3.38)	(10.31)	(13.36)	(10.76)	(57.65)
Closing gross carrying amount as at March 31, 2022	**1,632.06**	**9,530.36**	**60.35**	**126.18**	**201.95**	**159.78**	**11,710.68**
Accumulated depreciation and impairment							
Opening accumulated depreciation and impairment	357.24	4,360.26	44.65	72.67	135.96	103.30	5,074.08
Depreciation charged during the year	66.11	773.70	6.59	23.05	29.56	19.72	918.73
Disposals	(0.44)	(12.61)	(2.73)	(8.92)	(10.73)	(10.05)	(45.48)
Closing accumulated depreciation and impairment as at March 31, 2022	**422.91**	**5,121.35**	**48.51**	**86.80**	**154.79**	**112.97**	**5,947.33**
Net carrying amount as at March 31, 2022	**1,209.15**	**4,409.01**	**11.84**	**39.38**	**47.16**	**46.81**	**5,763.35**
Year ended 31 March 2023							
Gross carrying amount							
Opening gross carrying amount	1,632.06	9,530.36	60.35	126.18	201.95	159.78	11,710.68
Additions	34.15	301.15	6.08	47.54	36.02	41.56	466.50
Disposals	(1.99)	(9.97)	(5.97)	(128.09)	(17.31)	(16.96)	(180.29)
Closing gross carrying amount as at March 31, 2023	**1,664.22**	**9,821.54**	**60.46**	**45.63**	**220.66**	**184.38**	**11,996.89**
Accumulated depreciation and impairment							
Opening accumulated depreciation and impairment	422.91	5,121.35	48.51	86.80	154.79	112.97	5,947.33
Depreciation charged during the year	66.09	680.52	6.17	20.35	31.25	22.52	826.90
Disposals	(1.52)	(6.93)	(5.33)	(107.15)	(14.61)	(16.05)	(151.59)
Closing accumulated depreciation and impairment as at March 31, 2023	**487.48**	**5,794.94**	**49.35**	**-**	**171.43**	**119.44**	**6,622.64**
Net carrying amount as at March 31, 2023	**1,176.74**	**4,026.60**	**11.11**	**45.63**	**49.23**	**64.94**	**5,374.25**

The above assets are pledged as security against borrowings, refer note no. 13 & 17.

Notes to the standalone financial statements for the year ended March 31, 2023

Capital-Work-in Progress (CWIP)

Capital-work-in progress ageing schedule is as under:

Particulars	As on 31st March 2022				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	46.70	-	0.24	-	46.94
Projects temporarily suspended	-	-	-	-	-

*The projects in progress as on 31st March 2022, will be completed within 1 year.

Particulars	As on 31st March 2023				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress**	45.13	0.31	0.29	-	45.73
Projects temporarily suspended	-	-	-	-	-

The above assets are pledged as security against borrowings, refer note no. 13 & 17.

**The projects in progress as on 31st March 2023, will be completed within 1 year.

4. Intangible assets

Rs. million

Particulars	Goodwill	Right of use assets - leases (refer note 34)	Other intangible assets						Grand Total
			Computer software	Product design and development	Right of use assets - enabling assets	Customer contracts	Trademarks	Sub total	
Year ended 31 March 2022									
Gross carrying amount									
Opening gross carrying amount	14.85	762.21	74.16	62.59	85.59	114.36	103.78	440.48	1,217.54
Additions	-	313.30	14.46	10.68	-	-	-	25.14	338.44
Disposals	-	-	-	(0.80)	-	-	-	(0.80)	(0.80)
Closing gross carrying amount as at March 31, 2022	**14.85**	**1,075.51**	**88.62**	**72.47**	**85.59**	**114.36**	**103.78**	**464.82**	**1,555.18**
Accumulated amortization and impairment									
Opening accumulated depreciation and impairment	-	120.70	68.44	62.58	10.15	34.31	31.14	206.62	327.32
Depreciation / amortisation charged during the year	-	66.15	4.75	3.56	5.46	11.44	10.37	35.58	101.73
Disposals	-	-	-	(0.76)	-	-	-	(0.76)	(0.76)
Closing accumulated depreciation and impairment as at March 31, 2022	**-**	**186.85**	**73.19**	**65.38**	**15.61**	**45.75**	**41.51**	**241.44**	**428.29**
Net carrying amount as at March 31, 2022	**14.85**	**888.66**	**15.43**	**7.09**	**69.98**	**68.61**	**62.27**	**223.38**	**1,126.89**

Notes to the standalone financial statements for the year ended March 31, 2023

Rs. million

Particulars	Goodwill	Right of use assets - leases (refer note 34)	Other intangible assets						Grand Total
			Computer software	Product design and development	Right of use assets - enabling assets	Customer contracts	Trademarks	Sub total	
Year ended 31 March 2023									
Gross carrying amount									
Opening gross carrying amount	14.85	1,075.51	88.62	72.47	85.59	114.36	103.78	464.82	1,555.18
Additions	-	101.35	7.11	19.80	-	-	-	26.91	128.26
Disposals (refer note 34)	-	(259.74)	-	-	-	-	-	-	(259.74)
Closing gross carrying amount as at March 31, 2023	**14.85**	**917.12**	**95.73**	**92.27**	**85.59**	**114.36**	**103.78**	**491.73**	**1,423.70**
Accumulated amortization and impairment									
Opening accumulated depreciation and impairment	-	186.85	73.19	65.38	15.61	45.75	41.51	241.44	428.29
Depreciation / amortisation charged during the year	-	69.91	2.92	6.31	5.57	11.44	10.38	36.62	106.53
Disposals	-	(2.55)	-	-	-	-	-	-	(2.55)
Closing accumulated depreciation and Impairment as at March 31, 2023	**-**	**254.21**	**76.11**	**71.69**	**21.18**	**57.19**	**51.89**	**278.06**	**532.27**
Net carrying amount as at March 31, 2023	**14.85**	**662.91**	**19.62**	**20.58**	**64.41**	**57.17**	**51.89**	**213.67**	**891.43**

The right of use assets (land) is mortgaged as security against borrowings, refer note no. 13 & 17.

Goodwill represents goodwill arisen on amalgamation of Shriram Automotive Product Limited . Goodwill is tested for impairment on annual basis and wherever there is an indication that the recoverable amount is less than its carrying amount based on a number of factors including in business plan, operating results, future cash flows and economic conditions. The recoverable amount is determined based on higher of value in use and fair value less cost to sell. The Company generally uses discounted cash flows method to determine the recoverable amount. These discounted cash flow calculation are based on financial forecasts. Cash flow projections take into account past experience and represent management's best estimate about future developments.

Intangible assets under development

Intangible assets under development ageing schedule is as under:

Particulars	As on 31st March 2022				
	Amount in Intangible under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	-	8.52	-	-	8.52
Projects temporarily suspended	-	-	-	-	-

*The projects in progress as on 31st March 2022, will be completed within 1 year.

Notes to the standalone financial statements for the year ended March 31, 2023

Particulars	As on 31st March 2023				
	Amount in Intangible under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

5. Investments

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Rs. million	No. of shares	Rs. million
Non Current Investment (Unquoted)				
Equity instrument:				
Investment carried at amortised cost				
SPR International Auto Exports Limited (fully paid up of Rs. 10 each) (refer note 49)	-	-	50,000	0.50
SPR Engeninous Limited (fully paid up of Rs. 10 each) (refer note 50)	12,00,00,000	1,200.00	-	-
Investment carried at Fair value through Profit or Loss				
Lalganj Power Private Limited (fully paid up of Rs. 10 each)	36,36,364	48.00	36,36,364	48.00
	12,36,36,364	**1,248.00**	**36,86,364**	**48.50**
Current Investment (Unquoted)				
Carried at fair value through Statement of Profit and loss				
Investment in Mutual fund (Liquid fund) Units of Face value of Rs. 1000 each				
- 126846 units (Previous year: 75808) Axis Overnight Fund Direct Growth		150.38		85.20
- 3855 units (Previous year: 15341) SBI Overnight Fund Direct Growth		14.07		53.10
- 97111 units (Previous year: 31864) Axis Liquid Fund - Direct Growth		242.86		75.33
- 1740 units (Previous year: 19974) UTI Overnight Fund - Direct Plan - Growth		5.34		58.12
- 3433 units (Previous year: Nil) SBI Liquid Fund Direct Growth		12.10		-
- 31833 units (Previous year: Nil) UTI Liquid Cash Plan - Direct Plan - Growth		117.44		-
- 59218 units (Previous year: Nil) HSBC Liquid Fund Direct Growth		132.78		-
		674.97		**271.75**

Notes to the standalone financial statements for the year ended March 31, 2023

6. Other Financial Assets

(At amortised cost excluding derivative instrument)

Rs. million

	As at March 31, 2023		As at March 31, 2022	
	Current	Non current	Current	Non current
Bank Deposit more than 12 months (refer note 11)	-	601.52	-	79.63
Security Deposit	3.01	194.09	3.76	174.63
Interest accrued on deposits	190.89	-	69.03	-
Derivative instrument (refer note 40)	5.47	19.90	-	-
Deposit with banks held as margin money (refer note 11)	-	50.45	-	0.73
	199.37	**865.96**	**72.79**	**254.99**

7. Tax assets/ (liabilities) net

Rs. million

	As at March 31, 2023	As at March 31, 2022
Advance income tax	1008.92	574.64
less: Provision for income tax	(1,045.88)	(604.51)
Net	**(36.96)**	**(29.87)**

8. Other assets

(Unsecured, considered good unless stated otherwise)

Rs. million

	As at March 31, 2023		As at March 31, 2022	
	Current	Non-current	Current	Non-current
i) Capital advances	-	63.89	-	32.01
ii) Advances other than capital advances recoverable in cash or in kind or for value to be received				
Unsecured, considered good	102.82	-	61.51	-
Unsecured, Considered doubtful	14.60	-	10.25	
	117.42	-	71.76	-
Provision for doubtful advances	(14.60)	-	(10.25)	-
	102.82	**-**	**61.51**	**-**

Notes to the standalone financial statements for the year ended March 31, 2023

Rs. million

	As at March 31, 2023		As at March 31, 2022	
	Current	Non-current	Current	Non-current
iii) Export incentive receivable				
Unsecured, considered good	22.61	13.67	63.14	27.95
Unsecured, considered doubtful	0.72	3.57	0.56	3.30
	23.33	17.24	63.70	31.25
Provision for doubtful advances	(0.72)	(3.57)	(0.56)	(3.30)
	22.61	**13.67**	**63.14**	**27.95**
iv) Balance with government authorities- Goods and service tax	52.53	-	52.02	-
v) Prepaid expenses	43.30	10.99	78.69	8.49
vi) Other assets				
Unsecured, considered good*	77.62	182.41	21.93	184.14
Unsecured, considered doubtful	3.83	-	3.95	-
	81.45	182.41	25.88	184.14
Provision for doubtful	(3.83)	-	(3.95)	-
	77.62	**182.41**	**21.93**	**184.14**
	298.88	**270.96**	**277.29**	**252.59**

* Other assets - non current, represents paid under protest to government authorities.

9. Inventories

(valued at lower of cost or net realisable value)

Rs. million

	As at March 31, 2023	As at March 31, 2022
Raw material and components (includes in transit Rs. 4.39 million (previous year: Rs. Nil million))	664.48	612.99
Work-in-progress (includes in transit Rs. 8.09 million (previous year: Rs. 4.94 million))	993.46	1,079.57
Finished goods (includes in transit Rs. 64.72 million (previous year: Rs. 85.54 million))	1,281.86	1,278.79
Stock- in - trade (includes in transit Rs. 1.97 million (previous year: Rs. 11.12 million))	44.61	43.31
Stores and spares (includes in transit Rs. 0.88 million (previous year: Rs. 3.00 million))	293.75	279.88
Loose tools	37.66	40.25
	3,315.82	**3,334.79**

The inventories are hypothecated as security against working capital loans from banks, refer note no 17

Notes to the standalone financial statements for the year ended March 31, 2023

10. Trade receivables

(Unsecured, considered good unless stated otherwise)

(At amortised cost)

Rs. million

	As at March 31, 2023	As at March 31, 2022
Current		
Considered good*	3,956.64	3,545.64
Credit impaired	32.07	30.16
	3,988.71	3,575.80
Impairment of trade receivables	(32.07)	(30.16)
	3,956.64	**3,545.64**

The trade receivables are pledged as security against working capital loans from banks, refer note no 17

* There is no trade receivable which have significant increase in credit risk.

Trade receivable ageing as on 31st March 2022 is as under:

Rs. Million

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	3,145.20	387.89	12.55	-	-	-	3,545.64
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	3.48	2.13	5.86	6.51	11.30	29.28
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	0.88	0.88
	-	**3,145.20**	**391.37**	**14.68**	**5.86**	**6.51**	**12.18**	**3,575.80**

Notes to the standalone financial statements for the year ended March 31, 2023

Trade receivable ageing as on 31st March 2023 is as under:

Rs. Million

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	3,511.73	425.64	19.27	-	-	-	3,956.64
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	4.41	4.31	5.88	3.38	13.21	31.19
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	0.88	0.88
Total	**-**	**3,511.73**	**430.05**	**23.58**	**5.88**	**3.38**	**14.09**	**3,988.71**

11. Cash and cash equivalents and other bank balances

(At amortised cost)

Rs. million

	As at March 31, 2023		As at March 31, 2022	
	Current	Non current	Current	Non current
i) Cash and cash equivalents				
Cash on hand	0.43	-	0.89	-
Balances with banks				
- Deposits with banks, with original maturity less than 3 months	-	-	10.00	
- current accounts	284.95	-	184.29	-
	285.38	**-**	**195.18**	**-**
ii) Other bank balances				
- Unclaimed dividend account	0.53	-	0.66	-
- Unspent CSR account	5.50	-	7.22	
- Deposits with banks , with original maturity more than 3 months	5,602.34	601.52	3,188.47	79.63
- Deposits with banks held as margin money	315.40	50.45	105.63	0.73
	5,923.77	**651.97**	**3,301.98**	**80.36**
	6,209.15	**651.97**	**3,497.16**	**80.36**
Less : Amounts disclosed under other financial assets (refer note 6)	-	(651.97)	-	(80.36)
	6,209.15	**-**	**3,497.16**	**-**

Notes to the standalone financial statements for the year ended March 31, 2023

12. Equity share capital

Rs. million

	As at March 31, 2023	As at March 31, 2022
Authorised Shares		
52,500,000 (previous year 52,500,000) equity shares of Rs. 10 each	525.00	525.00
3,000,000 (previous year 3,000,000) preference shares of Rs. 100 each	300.00	300.00
	825.00	**825.00**

a. Issued, subscribed and fully paid up shares

22,024,912 (previous year 22,024,912) equity shares of Rs. 10 each	220.25	220.25
	220.25	**220.25**

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to dividend and one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

c. Reconciliation of numbers of equity shares outstanding at the beginning and at the end of reporting year

Rs. million

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Rs. million	No. of shares	Rs. million
Opening balance	2,20,24,912	220.25	2,23,74,912	223.75
Issued during the year	-	-	-	-
Buyback during the year (refer note 48)	-	-	3,50,000	3.50
Closing balance	**2,20,24,912**	**220.25**	**2,20,24,912**	**220.25**

d. Details of equity shareholders holding more than 5% shares in the Company

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% shareholding	No. of shares	% shareholding
Equity shares of Rs. 10 each fully paid				
Riken Corporation	46,92,057	21.30	46,92,057	21.30
KS Kolbenschmidt GmbH	44,74,974	20.32	44,74,974	20.32
Luv D. Shriram and Meenakshi Dass*	33,33,931	15.14	33,33,931	15.14
Meenakshi Dass and Luv D. Shriram *	33,33,931	15.14	33,33,931	15.14
National Insurance Company Limited	13,84,055	6.28	13,84,733	6.29

* Shares held on behalf of Deepak Shriram Family Benefit Trust.

Notes to the standalone financial statements for the year ended March 31, 2023

e) Details of Shares held by Promoters at the end of the year

Name of promotor	As at March 31, 2023			As at March 31, 2022		
	No. of shares	% shareholding	% Change during the year	No. of shares	% shareholding	% Change during the year
Meenakshi Dass & Luv D. Shriram*	33,33,931	15.14	-	33,33,931	15.14	0.23
Luv D. Shriram & Meenakshi Dass*	33,33,931	15.14	-	33,33,931	15.14	0.23
Meenakshi Dass	8,34,720	3.79	-	8,34,720	3.79	(1.29)
Nandishi Shriram	865	0.004	-	865	0.004	(0.0003)
Luv D. Shriram and Kush D. Shriram**	2	0.00001	-	2	0.00001	0.0000001
Luv D. Shriram	5,450	0.02	-	5,450	0.02	0.02
Sarva Commercial Pvt. Ltd.	10,66,580	4.84	-	10,66,580	4.84	0.09
Sera Com Pvt. Ltd.	9,50,397	4.32	-	9,50,397	4.32	0.09
Manisha Commercial Pvt. Ltd.	6,67,979	3.03	-	6,67,979	3.03	0.06
Shabnam Commercial Pvt. Ltd.	1,03,197	0.47	-	1,03,197	0.47	0.01
Kush D. Shriram	1	0.000005	-	1	0.000005	-

* Shares held on behalf of Deepak Shriram Family Benefit Trust.

** Shares held on behalf NAK Benefit Trust.

f) The Board of directors, in its meeting of May 08, 2023, has proposed final special "Golden Jubilee" dividend of Rs. 5/-per equity share (face value of Rs. 10 per equity share) to equity shareholders for the year ended March 31, 2023. This dividend together with the interim dividend of Rs. 10/- per equity share, aggregating total dividend to Rs. 15/- per equity share for the financial year 2022-23. The final dividend is subject to the approval of shareholders in Annual General Meeting of the Company and same has not been recognised as liability in financial statements for the year ended March 31, 2023.

13. Borrowings

(At amortised cost)

Rs. million

	As at March 31, 2023		As at March 31, 2022	
	Current	Non current	Current	Non current
Secured				
Term loans from banks	180.12	1,194.33	-	-
Unsecured				
Deposits	192.98	167.80	164.67	359.30
Deposits from related parties (refer note 32)	33.31	10.78	21.65	44.09
	406.41	1,372.91	186.32	403.39
Less : Current maturities of long term debt (refer note 17)	(406.41)	-	(186.32)	-
	-	**1,372.91**	**-**	**403.39**

Notes to the standalone financial statements for the year ended March 31, 2023

i) Term loans from banks of Rs. 1374.45 million (previous year: nil) are secured by way of first pari passu charge on all the movable and immovable property, plant & equipment and right of use assets (land) of the company, present and future.

Amount outstanding		Repayment period from origination (years)	Instalments outstanding		Effective Rate of Interest per annum %	
As at March 31, 2023 (Rs. million)	As at March 31, 2022 (Rs. million)		No.	As at March 31, 2023 Periodicity	As at March 31, 2023	As at March 31, 2022
400.00	-	6*	20	Quarterly	7.30	-
623.68	-	6*	20	Quarterly	7.18	-
196.00	-	6	23	Quarterly	7.56	-
89.77	-	6	23	Quarterly	7.62	-
65.00	-	6	24	Quarterly	8.00	-
1,374.45	**-**					

* The repayment period includes moratorium of 1 year from the date of origination

ii) The long term deposits have been raised under Section 58A of the Companies Act, 1956 and Section 73 to 76 of the Companies Act, 2013 for maturity period of 2 and 3 years.

Amount outstanding		Repayment period from origination (years)	Rate of Interest per annum (%)	
As at March 31, 2023 (Rs. million)	As at March 31, 2022 (Rs. million)		As at March 31, 2023	As at March 31, 2022
5.42	29.59	2	6.00-9.50	8.00-9.50
399.44	560.12	3		
404.86	**589.71**			

14. Provisions

Rs. million

	As at March 31, 2023		As at March 31, 2022	
	Current	Non current	Current	Non current
Provision for employee benefits	137.61	287.22	76.71	262.65
	137.61	**287.22**	**76.71**	**262.65**

15. Other liabilities

Rs. million

	As at March 31, 2023		As at March 31, 2022	
	Current	Non current	Current	Non current
Security deposits*	128.91	4.40	126.15	4.04
Advances from customers	90.65	-	62.27	-
Statutory dues	256.85	-	236.12	-
Others	50.51	-	56.72	-
	526.92	**4.40**	**481.26**	**4.04**

*The security deposits have been received by the Company from customers/vendors in the normal course of business.

Notes to the standalone financial statements for the year ended March 31, 2023

16. a) Deferred tax liability (net)

Rs. million

	As at March 31, 2023	As at March 31, 2022
Deferred tax liability		
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	316.85	330.79
Unrealised Income on Mutual Fund	-	0.09
	316.85	**330.88**
Deferred tax assets		
Expenses deductible on payment basis	131.09	114.42
Provision for doubtful debts/advances	13.78	12.14
Deferred tax assets on other comprehensive income		
Fair value change in Cash flow hedges	4.73	8.22
Remeasurment of post employment defined benefit plans	(53.62)	(24.06)
	95.98	110.72
Net deferred tax liability	**220.87**	**220.16**

b) Reconciliation of tax expenses and accounting profit

Rs. million

	As at March 31, 2023	As at March 31, 2022
Profit before tax from continuing operation	3,969.19	2,202.05
Income tax expenses calculated at current tax rate	998.95	554.21
Add : Effect of expenses that are not deductible in determining taxable profit.		
(i) Corporate Social Responsibility Expenditure	7.78	7.48
(ii) Donation under section 80G	0.91	0.63
(iii) Interest to MSMED parties	0.01	0.02
(iv) Interest on Income Tax	1.72	0.39
(v) Amortisation of right of use (land)	2.14	1.58
(vi) Amortisation of intangible assets (Goodwill)	2.10	2.10
Income tax expenses recognised in statement of profit & loss	**1013.61**	**566.41**

Notes to the standalone financial statements for the year ended March 31, 2023

17. Short term borrowings

(At amortised cost)

Rs. million

	As at March 31, 2023	As at March 31, 2022
Secured		
Working capital loans from banks repayable on demand#	1,122.08	724.32
Current maturities of long term borrowing (refer note 13)	180.12	-
Unsecured		
Deposits*	-	4.04
Current maturities of long term borrowing (refer note 13)	226.28	186.32
	1,528.48	**914.68**

#Working capital loans of Rs. 1017.08 million. are secured by way of first pari passu charge on inventories and trade receivables of the Company, present and future and second pari passu charge on all the movable and immovable property, plant & equipment and right of use assets (land) of the Company, present and future and Rs. 105.00 million is secured by way of lien on the bank deposit of Rs. 250.50 million.

*The short term deposits have been raised under Section 58A of the Companies Act, 1956 and Section 73 to 76 of the Companies Act, 2013 for maturity period of 1 year.

18. Trade payables

(At amortised cost)

Rs. million

	As at March 31, 2023	As at March 31, 2022
- Total outstanding dues of micro and small enterprises	125.48	89.10
- Total outstanding dues of creditors other than micro and small enterprises	3,310.04	2,969.93
	3,435.52	**3,059.03**

Trade payable includes Rs. 117.03 million (previous year: Rs. 80.42 million) due to related parties (refer note 32)

Trade Payables ageing schedule as on 31st March 2022 is as under:

Rs. million

Particulars		Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				
				Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	-	79.35	9.75	-	-	-	89.10
(ii)	Disputed dues – MSME	-	-	-	-	-	-	-
(iii)	Others	-	2,682.27	277.92	2.68	5.73	1.33	2,969.93
(iv)	Disputed dues - Others	-	-	-	-	-	-	-
		-	**2,761.62**	**287.67**	**2.68**	**5.73**	**1.33**	**3,059.03**

Notes to the standalone financial statements for the year ended March 31, 2023

Trade Payables ageing schedule as on 31st March 2023 is as under:

Particulars		Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				
				Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	-	125.48	-	-	-	-	125.48
(ii)	Disputed dues – MSME	-	-	-	-	-	-	-
(iii)	Others	-	2,939.62	363.00	0.37	0.51	6.54	3,310.04
(iv)	Disputed dues - Others	-	-	-	-	-	-	-
		-	**3,065.10**	**363.00**	**0.37**	**0.51**	**6.54**	**3,435.52**

19. Other financial liabilities

(At amortised cost)

Rs. million

	As at March 31, 2023		As at March 31, 2022	
	Current	Non current	Current	Non current
Interest accrued but not due on borrowings	60.62	-	56.41	-
Unclaimed dividends*	0.53	-	0.66	-
Unclaimed matured deposits and interest accrued thereon*	5.11	-	13.00	-
Capital creditors	56.45	90.13	65.59	101.43
Derivative instrument (refer note 40)	-	-	12.18	-
	122.71	**90.13**	**147.84**	**101.43**

*Not due for transfer to investor education and protection fund

20. Revenue from operations

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Sale of products	25,599.15	20,233.98
Other operating revenues		
- sale of scrap	350.68	335.82
- export benefits*	95.58	67.83
- others	4.85	9.01
	26,050.26	**20,646.64**

*Export benefits are in the nature of government grants covering following:

Rs. million

	As at March 31, 2023	As at March 31, 2022
Remission of Duties and Taxes on Export Products (RoDTEP)	22.17	6.85
Duty draw backs	73.40	60.98
	95.57	**67.83**

Notes to the standalone financial statements for the year ended March 31, 2023

21. Other income

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Interest income		
- Bank deposits	311.25	129.76
- Others	7.98	8.75
Net gain on sale/fair valuation of current investment	32.25	11.73
Profit / gain on sale/disposal of property, plant and equipment / right of use of assets (land)	30.90	7.85
Foreign exchange gain (net)	30.65	95.80
Provision for doubtful debts and advances written back (net)	-	15.31
Other non-operating income	49.27	22.92
	462.30	**292.12**

22. Cost of material consumed

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Cost of raw material and components consumed	9,331.98	7,213.36
Cost of packing material consumed	556.34	451.04
	9,888.32	**7,664.40**

23. (Increase) / Decrease in inventories of finished goods, work-in-progress and stock-in-trade

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Inventories at the end of the year		
Work-in-progress	993.46	1,079.57
Finished goods	1,281.86	1,278.79
Stock-in-trade	44.61	43.31
	2,319.93	**2,401.67**
Inventories at the beginning of the year		
Work-in-progress	1,079.57	871.04
Finished goods	1,278.79	897.02
Stock-in-trade	43.31	36.80
	2,401.67	**1,804.86**
(Increase) / Decrease in inventories of finished goods, work-in-progress and stock-in-trade	**81.74**	**(596.81)**

Notes to the standalone financial statements for the year ended March 31, 2023

24. Employee benefits expense

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	3,627.90	3,379.62
Contribution to provident and other funds	291.19	296.42
Staff welfare expenses	217.87	241.60
	4,136.96	**3,917.64**

25. Finance costs

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on borrowings	160.95	86.96
Interest expense on lease liabilities (refer note 34)	22.05	23.64
Interest expense on income tax	6.85	1.54
Other borrowing costs	4.60	2.09
	194.45	**114.23**

26. Depreciation and amortisation expense

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
- Depreciation on Property, Plant and Equipment (refer note 3)	826.90	918.73
- Depreciation on Right of use assets (refer note 4)	69.91	66.15
- Amortisation of Intangible Assets (refer note 4)	36.62	35.58
	933.43	**1,020.46**

27. Other expenses

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Stores and spares consumed	2,059.23	1,758.19
Power and fuel	1,380.43	1,302.06
Job work charges	537.18	530.00
Freight expenses	362.02	369.41
Royalty	463.92	358.36
Rent	19.73	17.45
Rates and taxes	11.46	9.31
Insurance	39.04	36.65
Sub-contracting expenses	304.73	235.19

Notes to the standalone financial statements for the year ended March 31, 2023

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Repair and maintenance		
-Plant and machinery	185.39	143.54
-Buildings	92.43	94.59
-Others	27.01	28.69
Auditor's remuneration (refer note 28)	5.35	4.86
Directors' fees	12.40	8.70
Provision for doubtful debts and advances (net)	6.55	-
Bad debts and advances written off	0.51	14.05
Corporate social responsibilities expenses (refer note 46)	30.90	29.73
Travelling expenses	64.84	23.92
Legal and professional expenses	58.41	53.02
Miscellaneous expenses	673.52	796.96
	6,335.05	**5,814.68**

28. Payment to auditor

(excluding goods and service tax, as applicable)

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
As auditor:		
- Audit fee	3.23	3.22
- Limited review	1.40	1.40
- Other services	0.26	0.19
- Reimbursement of expenses	0.46	0.05
	5.35	**4.86**

29. Earnings per share (EPS)

	Year ended March 31, 2023	Year ended March 31, 2022
Profit attributable to equity shareholders (Rs. million)	2,955.58	1,635.64
Weighted average number of equity shares (Nos. million)	22.02	22.02
Earning per share		
- Basic (Rs.)	134.19	74.26
- Diluted (Rs.)	134.19	74.26

Notes to the standalone financial statements for the year ended March 31, 2023

30. Research and development expenditure

The details of research and development expenditure incurred by the Company and included in the respective account heads are as under:

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Capital expenditure	22.09	12.57
Revenue expenditure	211.05	203.53
	233.14	**216.10**

The details of revenue expenditure incurred on research and development is as under:

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Stores and spares consumed	59.55	66.23
Salaries and wages	117.43	105.97
Contribution to provident and other funds	7.43	8.29
Staff welfare expenses	1.39	1.96
Power and fuel	4.66	4.25
Repair and maintenance		
- Plant and Machinery	14.89	11.20
- Buildings	0.18	0.16
Loss on sale/retirement of fixed assets (net)	0.17	0.06
Travelling expenses	1.27	0.18
Miscellaneous expenses	4.08	5.23
	211.05	**203.53**

31. Employee benefits

The Company has classified the various employee benefits as under:

i) Defined contribution plans

The Company has recognised the following amount in the statement of profit and loss:

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Employers' contribution to Provident fund	174.63	173.81
Employers' contribution to Superannuation fund	29.38	36.44
Employers' contribution to State Insurance fund	28.32	28.11
	232.33	**238.36**

Notes to the standalone financial statements for the year ended March 31, 2023

ii) Defined benefit plans - Gratuity

In accordance with Ind AS 19, actuarial valuation of defined benefit plans was done for Gratuity and details of the same are given below :

Rs. million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Amount recognized in statement of Profit & Loss A/c		
Current service cost	78.52	79.86
Net Interest cost on defined benefit/ liability	1.10	(1.81)
Total expense recognised in the Statement of Profit and Loss	**79.62**	**78.05**
Actual contribution and benefit payments for the year		
Actual benefit payments	57.16	(60.51)
Actual contributions	30.00	-
	87.16	**(60.51)**
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	1,110.64	1,127.57
Fair value of plan assets	1,161.81	1,111.19
Funded status [Surplus / (Deficit)]	51.17	(16.38)
Net asset / (liability) recognised in the Balance Sheet	51.17	(16.38)
Change in defined benefit obligations (DBO) during the year		
Present value of defined benefit obligations at beginning of the year	1,127.57	1,066.44
Current service cost	78.52	79.86
Interest cost	75.49	67.67
Remeasurement of defined benefit obligations (Actuarial (gains)/losses)		
- Changes in Demographic assumptions	-	9.51
- Changes in Financial assumptions	(66.93)	(34.33)
- Experience Variance	(46.85)	(1.07)
Benefits paid	(57.16)	(60.51)
Present value of DBO at the end of the year	**1110.64**	**1127.57**
Change in fair value of plan assets during the year		
Plan assets at beginning of the year	1,111.19	1,095.04
Expected return on plan assets	74.40	69.49
Contributions	30.00	-
Actuarial gain / (loss)	-	-
Return on Plan assets excluding amount recognised in net interest expenses	3.38	7.17
Benefits paid	(57.16)	(60.51)
Plan assets at the end of the year	**1,161.81**	**1,111.19**
Actual return on plan assets	77.78	76.66
Amount recognised in other comprehensive income		
Actuarial (Gains)/ Losses		
- Changes in Demographic assumptions	-	9.51
- Changes in Financial assumptions	(66.93)	(34.33)
- Experience Variance	(46.85)	(1.07)
(Return)/loss on plan assets, excluding amount recognized in net interest expense	(3.39)	(7.17)
	(117.17)	**(33.06)**

Notes to the standalone financial statements for the year ended March 31, 2023

Actuarial assumptions for Gratuity	Year ended March 31, 2023	Year ended March 31, 2022
Discount rate	7.40%	6.70%
Expected return on plan assets	7.00%	7.00%
Salary escalation	10.00%	10.00%
Attrition	5 /10 %, p.a.	5 /10 %, p.a.
Mortality table used	IAL 2012-14	IAL 2012-14

Estimate of the future salary increase is based on factors such as inflation, seniority, promotions, demand and supply in employment market.

Rs. million

Sensitivity Analysis for significant actuarial assumptions		Year ended March 31, 2023		Year ended March 31, 2022	
Particulars		Impact on Liability		Impact on Liability	
		Increase	Decrease	Increase	Decrease
Discount Rate	+100 basis points		85.44		92.80
	-100 basis points	97.50		106.75	
Salary Growth Rate	+100 basis points	94.13		102.32	
	-100 basis points		84.21		90.97
Attrition Rate	+100 basis points		31.27		43.30
	-100 basis points	42.86		60.03	
Mortality Rate	+100 basis points		0.45		0.61
	-100 basis points	0.45		0.62	

The sensitivity analysis has been determined based on possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis present above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be co-related.

Risk Factors in actuarial assumptions

Interest Rate Risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Liquidity Risk: This is the risk that the Company is not able to meet the short term gratuity payouts. This may arise due to non availability of enough cash/ cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

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

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

Asset Liability Mismatching or Market Risk: The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/ fall in interest rate.

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

Notes to the standalone financial statements for the year ended March 31, 2023

Regulatory framework/ Governance / Benefits under the plan:

The gratuity benefit is a post employment benefit. It is calculated at the terminal salary (Basic+VDA) at the time of separation of the employee according to the provisions of Payment of Gratuity Act, 1972. However, there is no restriction on the maximum amount of gratuity payable. The plan assets are managed by independent Board of Trustees, appointed by the Company. The trust is a separate legal entity and is recognized by the Commissioner of Income Tax, under the provisions of Schedule IV the the Income Tax Act, 1961.

The Board of trustees manages the plan assets through Life Insurance Corporation of India, SBI Life Insurance, Bajaj Allianz Life Insurance Company and HDFC Life Insurance Co. Under this policy, the eligible employees are entitled to receive gratuity payments upon their separation in lumpsum after deduction of necessary taxes. The fund managers do not disclose the composition of their portfolio investment, accordingly break-down of plan assets by investment type has not been disclosed.

Asset Liability Matching Strategies

The Company has purchased insurance policy, which is a cash accumulation plan. Interest on the fund balances during the year is accumulated at the interest rate declared by insurance company at the end of the financial year. Gratuity claims are settled by the insurance company out of the fund, thus mitigating any liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of the liabilities. Thus, the Company is exposed to movement in interest rate.

Effect of plan on Entity's future cash flows

The company has purchased insurance policies to provide for payment of gratuity to the employees. The contribution to the funds are made on a quarterly basis based on estimated shortfall in plan assets from liabilities. Expected contribution during the next annual reporting period is Rs. 23.72 million (Rs. 96.21 million). Maturity profile of the defined benefit obligation based on weighted average duration is 10 Years.

The plan assets are managed by independent Board of Trustees through Life Insurance Corporation of India, SBI Life Insurance, Bajaj Allianz Life Insurance Company and HDFC Standard Life Insurance Co. Under this policy, the eligible employees are entitled to receive gratuity payments upon their separation in lumpsum after deduction of necessary taxes. The fund managers do not disclose the composition of their portfolio investment, accordingly break-down of plan assets by investment type has not been disclosed. Estimate of the future salary increase is based on factors such as inflation, seniority, promotions, demand and supply in employment market.

iii) Compensated Absences

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Present value of DBO	420.72	333.14
Funded status [Surplus / (Deficit)]	(420.72)	(333.14)

iv) Provident fund

The Company has an obligation to fund any shortfall in yield of the trust's investments over the rate declared by Government. The rate is determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Company has been higher in earlier years.

32. Related party disclosure

As per Indian Accounting Standard – 24 the Company's related parties and transactions with them are disclosed below :

A. List of related parties:

Subsidiary companies	SPR International Auto Exports Limited (Wholly owned subsidiary up to March 7, 2023)
	SPR Engenious Limited (Wholly owned subsidiary w.e.f. September 26, 2022)

Notes to the standalone financial statements for the year ended March 31, 2023

Step-down Subsidiary company	EMF Innovations Private Limited (w.e.f January 11, 2023)
Key management personnel	Shri Pradeep Dinodia, Chairman Shri Hari S. Bhartia, Director Smt Meenakshi Dass, Director Shri Inderdeep Singh, Director Shri Krishnakumar Srinivasan, Managing Director & CEO Shri A.K Taneja, Managing Director & Chief Mentor (upto March 31, 2022)* Shri Luv D. Shriram, Whole Time Director Smt. Ferida Chopra, Director Shri Alok Ranjan, Director Shri Yukio Tanemura, Director (upto April 5, 2022) Shri Kaoru Ito, Alternate Director to Shri Yukio Tanemura (upto April 5, 2022) Shri Kiyoto Tone, Director (upto May 7, 2021)* Shri Sascha Putz, Non Executive director. Shri. Shinichi Unno, Independent Director Shri Masaaki Yamaguchi, Director (w.e.f. April 6, 2022) Shri Yasunori Maekawa, Director (w.e.f. April 6, 2022)
Close members of the family of key management personnel	
Shri Krishnakumar Srinivasan	Smt. Sumati Krishnakumar
Shri A.K Taneja	Smt. Anita Taneja (upto March 31, 2022)*
Shri Luv D. Shriram	Smt. Meenakshi Dass Shri Kush D. Shriram Smt Nandishi Shriram Smt. Arati Shriram
Entity over which, Key management personnel and their Close members of the family has significant influence or control	Shriram Veritech Solutions Pvt. Ltd. S.R. Dinodia & Co. LLP Manisha Commercial Pvt. Ltd Deepak C. Shriram & Sons HUF Sera Com Pvt. Ltd. Sarva Commercial Pvt. Ltd. Shabnam Commercial Pvt. Ltd. Pradeep Dinodia HUF Luv Arati and Associates (AOP) Deepak Shriram Family Benefit Trust NAK Benefit Trust
Post-employment benefit plan entity	Shriram Pistons & Rings Ltd Gratuity Fund Trust Shriram Pistons & Rings Ltd Superannuation Fund Trust Shriram Pistons & Rings Ltd. Officers' Provident Fund Trust Shriram Automotive Products Ltd Group Gratuity Scheme (Up to October 13, 2021)*

* Related party transaction exists in previous year. Not a related party in current year.

Notes to the standalone financial statements for the year ended March 31, 2023

B. Related party transactions

(i) Transactions during the year

Rs. millions

Particulars	Subsidiaries		Entity over which, Key management personnel and their Close members of the family has significant influence or control		Key management personnel (KMP)		Close members of the family of key management personnel		Post-employment benefit plan entity		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Remuneration												
Short-term employees benefit	-	-	-	-	118.99	127.09	-	-	-	-	118.99	127.09
Post- employment benefit	-	-	-	-	2.48	4.20	-	-	-	-	2.48	4.20
Other long-term employees benefit	-	-	-	-		2.43	-	-	-	-	-	2.43
Commission to Directors	-	-	-	-	49.78	31.92	-	-	-	-	49.78	31.92
Legal Expenses	-	-	1.20	1.20	-	-		-	-	-	1.20	1.20
Rent	-	-	3.41	5.32	1.44	1.44	0.96	1.44	-	-	5.81	8.20
Interest on deposits	-	-	0.44	2.18	2.30	2.88	3.15	2.83	-	-	5.89	7.89
Directors sitting fees	-	-	-	-	12.40	8.70		-	-	-	12.40	8.70
Dividend paid	-	-	132.38	56.73	11.76	5.04	0.01	0.01	-	-	144.15	61.78
Contribution Paid	-	-	-	-		-	-	-	90.10	58.09	90.10	58.09
Deposits taken during the year	-	-	-	2.50	-	-	-	8.28	-	-	-	10.78
Deposits paid during the year	-	-	-	90.00	12.65	-	9.00	1.00	-	-	21.65	91.00
Purchase of material / stores	-	-	11.52	12.64		-	-	-	-	-	11.52	12.64
Buyback of Equity shares	-	-	-	253.35		39.67	-	0.08	-	-	-	293.10
Investment	1,200.00	-	-	-	-	-	-	-	-	-	1,200.00	-
Loan given during year (refer note-iv)	15.00	-	-	-	-	-	-	-	-	-	15.00	-
Loan repaid during year	15.00	-	-	-	-	-	-	-	-	-	15.00	-
Interest received on Inter-corporate loan	0.25	-	-	-	-	-	-	-	-	-	0.25	-
Amount received for providing resources and facilities	0.66	-	-	-	-	-	-	-	-	-	0.66	-
Property, Plant and Equipment	259.74	-	-	-	-	-	-	-	-	-	259.74	-
Sale of Material	2.77	-	-	-	-	-	-	-	-	-	2.77	-

Notes to the standalone financial statements for the year ended March 31, 2023

(ii) Balances due from/to the related parties

Rs. millions

Particulars	Subsidiaries		Entity over which, Key management personnel and their Close members of the family has significant influence or control		Key management personnel (KMP)		Close members of the family of key management personnel		Post-employment defined benefit plan entity		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Deposits accepted	-	-	4.50	4.50	15.81	28.45	23.78	32.78		-	44.09	65.73
Interest accrued but not due	-	-	0.82	0.38	3.94	4.13	3.67	2.19		-	8.43	6.70
Amount payable/ (recoverable)	2.80	-	0.16	0.09	114.07	80.33		-	(36.74)	30.71	80.29	111.13

Note : i) The deposit from related parties have been accepted on same rate of interest as applicable for other unrelated parties.

ii) The amount outstanding from related parties are unsecured and will be settled in cash.

iii) No guarantees have been given or received in respect of related parties.

iv) The purpose of this loan to subsidiary is to meet the funding requirements for future business opportunities in the areas related to the automotive segment.

33. Information pursuant to clause 3 (vii) (b) of the Companies (Auditor's Report) order, 2020 in respect of disputed dues, not deposited as at March 31, 2023, pending with various authorities:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates (various years covering the period)	Amount Involved* (Rs. Million)	Amount Unpaid (Rs. Million)	Amount Paid (Rs. Million)
Income Tax Act, 1961	Income tax	Appellate authority up to Commissioners' level	2003-04, 2004-05, 2015-16, 2016-17, 2017-18, 2018-19 & 2020-21	63.75	0.00	63.75
Central Excise Act, 1944	Excise Duty	Custom, Excise & Service Tax Appellate Tribunal (CESTAT)	2013-14, 2014-15, 2015-16, 2016-17, 2017-18	9.54	9.33	0.21
Finance Act, 1994	Service Tax	Custom, Excise & Service Tax Appellate Tribunal (CESTAT)	2012-13, 2013-14, 2014-15, 2015-16	18.77	18.26	0.51
Central Sales Tax Act, 1956	Sales Tax	Appellate Tribunal	2012-13, 2015-16	1.60	1.19	0.41
Sales Tax Laws	Sales Tax / Value Added Tax/ Entry Tax	Appellate authority up to Commissioners' level	2007-08, 2008-09, 2016-17, 2017-18	51.34	42.93	8.41
		Appellate Tribunal	2010-11, 2011-12, 2012-13, 2015-16	35.52	21.15	14.37
Goods & Service Tax Act 2017	Goods & Services Tax	Appellate authority up to Commissioners' level	2017-18, 2018-19	0.11	0.11	0.00

* amount as per demand orders including interest and penalty wherever quantified in the order.

Notes to the standalone financial statements for the year ended March 31, 2023

34. Leases :

The Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate/implicit interest rate and the Right of Use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate/implicit interest rate at the date of initial application.

The changes in the carrying value of right of use assets for the year ended March 31, 2023 are as follows:

Rs. millions

Particulars	Right of Use Asset		
	Land	Buildings	Motor Car
Balance as of April 1, 2021	416.81	224.70	-
Additions	259.74	53.56	-
Amortisation of Right of use Asset	(6.36)	(59.98)	-
Balance as of March 31, 2022	**670.29**	**218.38**	-
Balance as of April 1, 2022	670.29	218.38	-
Additions	-	66.96	34.38
Deletion*	(259.74)	-	-
Gain on sale of right of use assets (Land)	2.55	-	-
Amortisation of Right of use Asset	(8.51)	(59.93)	(1.46)
Balance as of March 31, 2023	**404.59**	**225.41**	**32.92**

*Represents transfer of right of use asset (Land) by the Company to its wholly owned subsidiary, SPR Engenious Ltd.

The break-up of current and non-current lease liabilities as of March 31, 2023 is as follows:

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Current	63.31	56.44
Non-current	228.59	193.44
Total	**291.90**	**249.88**

The movement in lease liabilities during the year ended March 31, 2023 is as follows:

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	249.88	249.14
Additions	101.35	53.56
Finance cost accrued during the period	22.04	23.64
Payment of lease liabilities	(81.37)	(76.46)
Balance at the end	**291.90**	**249.88**

The details of contractual maturities of lease liabilities on an undiscounted basis:

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Less than one year	87.04	76.59
One to five years	221.29	189.18
More than five years	64.73	47.84
Total	**373.06**	**313.61**

The Company does not face a significant liquidity risk with regard to its lease liabilities to meet the obligations related to lease liabilities as and when they fall due.

Notes to the standalone financial statements for the year ended March 31, 2023

35. Segment reporting

The Company is engaged in a single segment i.e. the business of "automotive components" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

Geographical information in respect of sale of products from customers is given below:

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Domestic Sale	20,758.24	16,224.31
Export Sale	4,840.91	4,009.67
	25,599.15	**20,233.98**

During financial year ended March 31, 2023, one customer amounts to Rs. 2756.34 Million (previous year no customer) represents 10% or more of the Companys' revenue from operations.

36. Micro, Small and Medium enterprises as defined under the MSMED Act

The status of vendors under Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is based on certificate submitted by vendors about their coverage under the provisions of MSMED Act, 2006.

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Amount remaining unpaid to suppliers under MSMED as at the end of year		
- Principal amount *	135.24	101.87
- Interest due thereon	-	-
Amount of payments made to suppliers beyond the appointed day during the year		
- Principal amount	2.66	25.58
- Interest actually paid under section 16 of MSMED	-	-
Amount of interest due and payable for delay in payment (which has been paid but beyond the appointed day during the year) but without adding interest under MSMED		
Interest accrued and remaining unpaid at the end of the year		
- Interest accrued during the year	0.04	0.08
- Interest remaining unpaid as at the end of the year	0.16	0.26
Interest remaining disallowable as deductible expenditure under the Income-tax Act, 1961	0.04	0.08

*Includes capital creditors Nil (previous year Rs. 1.66 Millions) and security deposits of Rs. 9.91 million (previous year Rs. 11.37 million).

Notes to the standalone financial statements for the year ended March 31, 2023

37. Contingent liabilities

Rs. million

		As at March 31, 2023	As at March 31, 2022
i)	Disputed		
	- Sales tax*	88.46	2841.46
	- Service tax	18.77	18.64
	- Excise Duty	9.54	-
	- Goods & Services Tax	0.11	-
	- Income tax	1.43	1.43
	- Employees' State Insurance	28.83	28.83
	- Interim Relief to Workers	8.09	8.09

All the above matters are subject to legal proceedings in the ordinary course of business. In the opinion of the management, the legal proceedings, when ultimately concluded, will not have a material effect on operations or the financial position of the Company.

* The contingent liability has reduced on account of setting aside the demand by Appellate Authorities in stock transfer matters (Rs. 2126.60 millions) and on account of partial relief/ remand back in VAT matters (Rs. 559.50 millions) with directions to Assessing Officer for fresh assessment. The Company has precedent of favourable orders on similar matters. The Company is of the view that as there is no demand against such orders passed by Assessing Officer, hence, contingent liability against these matters cease to exist as on 31.03.2023.

ii)	Bills discounted from banks	31.02	23.90
iii)	Claims not acknowledged as debts	262.94	243.07

38. Commitments

Rs. million

		As at March 31, 2023	As at March 31, 2022
i)	Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	196.11	161.54

ii) Outstanding export obligation required to be fulfilled under the EPCG scheme against import of some machines/ capital equipments is as under:

a) average export obligation of Rs. 1927.01 million every year (previous year Rs. 1750.23 million every year) to be fulfilled till the time specific export obligation is discharged and

b) specific export obligation of Rs. 21.80 million (previous year Rs. 109.20 million) to be fulfilled over a period of maximum up to 5 years. Customs duty saved against outstanding export obligation is Rs. 3.34 million (previous year Rs. 17.23 million).

iii) The Company has other commitments, for purchase / sales orders which are issued after considering requirements as per operating cycle for purchase / sale of goods, employee benefits including union agreements in normal course of business. The Company does not have any other long term commitments or material non-cancellable contractual commitments, which may have a material impact on the financial statements.

Notes to the standalone financial statements for the year ended March 31, 2023

39. Investment in Subsidiary

i) The Company has made investment in equity shares of following subsidiary (intermediary) for further investment in equity shares of ultimate beneficiary.

Rs. million

Name of the intermediary	Date of investment into intermediary	Amount of investment in intermediary	Name of the ultimate beneficiary	Date of investment by intermediary into ultimate beneficiary	Amount of investment by intermediary into ultimate beneficiary
SPR Engenious Ltd.	November 23, 2022	299.50	EMF Innovations Pvt. Ltd.	January 11, 2023	780.03*
	December 30, 2022	480.53			

*Includes Rs. 55.0 Millions to be paid as per the terms of the Share Purchase Subscription Agreement.

With regard to the above investments made during the year ended March 31, 2023, the Company has complied with the relevant provisions of the applicable laws.

ii) No fund has been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries .

40. Fair Value Measurement

i) The carrying value and fair value of financial instruments by categories as of March 31, 2023 are as under:

Rs. million

Particulars	Financial assets/ (financial liabilities) at fair value through profit or loss (FVTPL)	Total carrying value	Total fair value
Financial assets/(financial liabilities)			
Investment in mutual fund	674.97	674.97	674.97
Investments in other equity instruments	48.00	48.00	48.00
Derivatives instruments*			
- Cross Currency Swap	23.41	23.41	23.41
- Forward contracts	1.96	1.96	1.96
Total	**748.34**	**748.34**	**748.34**

The carrying value and fair value of financial instruments by categories as of March 31, 2022 are as under:

Rs. million

Particulars	Financial assets/ (financial liabilities) at fair value through profit or loss (FVTPL)	Total carrying value	Total fair value
Financial assets/(financial liabilities)			
Investment in mutual fund	271.75	271.75	271.75
Investments in other equity instruments	48.00	48.00	48.00
Derivatives instruments*			
- Forward contracts	(12.18)	(12.18)	(12.18)
Total	**307.57**	**307.57**	**307.57**

*Change in fair value is recognised in other comprehensive income.

Notes to the standalone financial statements for the year ended March 31, 2023

ii) Fair value hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3.

Level 1 - This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - This level includes financial assets and liabilities, measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2023

Rs. million

Particulars	As at March 31, 2023	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Financial assets/(liabilities)				
Investment in mutual fund	674.97		674.97	-
Investments in other equity instruments	48.00		-	48.00
Derivatives instruments				
- Cross Currency Swap	23.41		23.41	-
- Forward contracts	1.96		1.96	-
Total	**748.34**	**-**	**700.34**	**48.00**

There is no transfer between the fair value measurement hierarchy amongst level 1, level 2 and level 3 during the year.

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2022

Rs. million

Particulars	As at March 31, 2022	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Financial assets/(liabilities)				
Investment in mutual fund	271.75		271.75	
Investments in other equity instruments	48.00		-	48.00
Derivative Instruments - forward contracts	(12.18)		(12.18)	
Total	**307.57**	**-**	**259.57**	**48.00**

There is no transfer between the fair value measurement hierarchy amongst level 1, level 2 and level 3 during the year.

Notes to the standalone financial statements for the year ended March 31, 2023

iii) Financial assets and financial liabilities that are measured at amortised cost are :

Rs. million

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Investments in subsidiary	1,200.00	1,200.00	0.50	0.50
Trade and other receivables	3,956.64	3,956.64	3,545.64	3,545.64
Cash and cash equivalent	285.38	285.38	195.18	195.18
Other bank balances	5,923.77	5,923.77	3,301.98	3,301.98
Security deposit	197.11	197.11	178.40	178.40
Bank deposit	601.52	601.52	79.63	79.63
Interest accrued on bank deposit	190.89	190.89	69.03	69.03
Margin money	50.44	50.44	0.73	0.73
Financial liabilities				
Borrowings	2,901.39	2,901.39	1,318.08	1,318.08
Interest accrued but not due on borrowings	60.62	60.62	56.41	56.41
Trade payables	3,435.52	3,435.52	3,059.03	3,059.03
Lease Liabilities	291.91	291.91	249.88	249.88
Unclaimed dividends	0.53	0.53	0.66	0.66
Unclaimed matured deposits and interest accrued thereon	5.11	5.11	13.00	13.00
Capital creditors	146.58	146.58	167.02	167.02

The carrying value of above financial assets and financial liabilities approximate its fair value.

41. Capital management

The Company's objective for managing capital is to ensure as under:

i) Ensure the company's ability to continue as a going concern

ii) Maintain a strong credit rating and debt equity ratio in order to support business and maximize the shareholders' value.

iii) Maintain an optimal capital structure.

iv) Compliance of financial covenants under the borrowing facilities.

For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company.

The Company manages its capital structure keeping in view of:

i) Compliance of financial covenants under the borrowing facilities

ii) Changes in economic conditions

In order to achieve this overall objective of capital management, amongst other things, the Company aims to ensure that it meets financial covenants attached to the borrowings facilities defining capital structure requirements, where breach in meeting the financial covenants may permit the lender to call the borrowings.

There have been no breach in the financial covenants of any borrowing facility in the current period. There is no change in the objectives, policies or processes for managing capital over previous year. To maintain the capital structure, the Company may vary the dividend payment to shareholders.

Notes to the standalone financial statements for the year ended March 31, 2023

42. Financial risk management

The Company's principal financial liabilities, other than derivatives, comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that it derives directly from its operations. The Company also holds FVTPL current investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks under appropriate policies and procedures.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL current investments and derivative financial instruments.

a) Foreign exchange risk

The Company is exposed to foreign exchange risk through its sales and purchases from overseas in foreign currencies mainly in USD,EURO and JPY. The Company holds derivative financial instruments such as foreign exchange forward and contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations may be adversely affected as the rupee appreciates/ depreciates against these currencies.

Each percentage point change in the foreign exchange rates has an impact of 0.86% (previous year : 0.84%) on Company's operating margins.

The Company's foreign currency risk from financial instruments are as under

(Foreign currency million)

Particulars	Currency	As at March 31, 2023			As at March 31, 2022		
		Total	Hedged	Net	Total	Hedged	Net
Trade and other receivables	USD	8.16	3.70	4.46	7.47	3.82	3.65
	EUR	4.58	2.62	1.96	3.63	0.09	3.54
	JPY	24.85	-	24.85	16.69	-	16.69
	GBP	0.02	0.02	-	0.10	-	0.10
Trade payables	USD	1.22	0.06	1.16	0.37	-	0.37
	EUR	0.24	-	0.24	0.09	-	0.09
	JPY	282.20	133.20	149.00	298.35	298.35	(0.00)
Capital creditors	JPY	145.68	145.68	-	155.77	145.68	10.09
Borrowings	USD	7.59	7.59	-	-	-	-

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the Company enters into cross currency interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

The Company is not exposed to any significant /material interest rate risk.

Notes to the standalone financial statements for the year ended March 31, 2023

ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Credit risk is managed by Company's established policy, procedures and control relating to customer credit risk management.

Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. The Company uses expected credit loss model to assess the impairment loss and makes an allowance for doubtful debts using expected credit loss model on case to case basis.

Movement in the expected credit loss allowance of financial assets

Rs. million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance at beginning of the year	48.23	63.53
Add: Provided during the year	6.55	-
Less: Reversal of provision	-	(15.30)
Less: Amount written off	-	-
Balance at the end of the year	**54.78**	**48.23**

iii) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans. Liquidity risk is managed by Company's established policy & procedures made under liquidity risk management framework. The Company manages liquidity risk by maintaining adequate reserves, banking facilities, and reserve borrowing facilites,by continuously forecast and actual cash flows, and by matching the maturity profile of financial assets and liabilities.

The financial assets and liabilities have been appropriately disclosed in financial statements as current and non current portion. The maturity period of non current financial assets and financial liabilities ranges between 1 to 6 years except lease liabilities where period may vary as per respective lease agreements.

43. Hedge Accounting

i) Forwards Contracts

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place.

Details of Forward Foreign Currency Contracts outstanding at the end of reporting period are as under:

(Foreign currency million)

Outstanding Contracts	Currency	As at March 31, 2023	As at March 31, 2022
Maturing not later than one month	USD	3.76	2.00
	EUR	1.37	0.09
	JPY	33.20	156.91
	GBP	0.10	0.00

Notes to the standalone financial statements for the year ended March 31, 2023

(Foreign currency million)

Outstanding Contracts	Currency	As at March 31, 2023	As at March 31, 2022
Maturing later than one month and not later than three months	USD	0.00	1.82
	EUR	1.25	0.00
	JPY	100.00	345.29
Maturing later than three month and not later than one year	JPY	145.68	195.68

The Company has designated foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The related hedge transactions for balance lying in cash flow hedging reserve are expected to occur and reclassified in the statement of profit or loss within 6 months.

Hedge effectiveness is determined at the inception of the hedge relationship. To ensure that an economic relationship exists between the hedged item and hedging instrument, the Company matches the critical terms of the hedged items and hedging instruments.

ii) Reconciliation of cash flow hedge reserve are as under:

Rs. million

Particulars	As at March 31, 2023	As at March 31, 2022
Assets /(liability)		
Balance at the beginning of the year	(10.05)	(0.30)
Gain / (Loss) recognised in other comprehensive income during the year	13.87	(13.03)
Tax impact on above	(3.49)	3.28
Balance at the end of the year	**0.33**	**(10.05)**

44. The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.

45. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund (IEPF) by the Company during the year.

46. Expenditure on corporate social responsibility (CSR)

Rs. million

Particulars		Year ended March 31, 2023	Year ended March 31, 2022
(i)	amount required to be spent by the Company during the year,	30.90	29.86
(ii)	amount of expenditure incurred,	30.90**	29.86*
(iii)	shortfall at the end of the year,	-	-
(iv)	total of previous years shortfall,	-	-
(v)	reason for shortfall,	NA	NA
(vi)	details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard,	NA	NA

*Includes Rs. 9.08 million on “ongoing Projects” transferred to “Unspent CSR account” on April 29, 2022 and Rs. 0.14 million towards excess amount incurred in year ending March 31, 2021.

** Includes Rs. 2.09 million on “ongoing Projects” transferred to “Unspent CSR account” on April 28,2023.

Notes to the standalone financial statements for the year ended March 31, 2023

(vii) The Company has taken up CSR projects/programmes/activities in the following areas:

(a) Education
(b) Health Care
(c) Sanitation
(d) Environment preservation
(e) Other areas as approved by the CSR Committee/Board

The movement in the unspent CSR A/c is as under:

Rs. million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance of unspent CSR A/c	16.18	10.26
Add: Addition during the year	2.09	9.08
Less: Utilisation during the year	10.23	3.16
Closing balance of unspent CSR A/c*	8.04	16.18

* Includes Rs. 2.09 million on "ongoing Projects" transferred to "Unspent CSR account" on April 28,2023.

47. Additional regulatory information

Particulars	Unit	Numerator	Denominator	Year ended March 31, 2023	Year ended March 31, 2022
Current ratio	Times	Total current assets	Total current liabilities	2.50	2.31
Debt-Equity ratio	Times	Debt consist of borrowings	Total Equity	0.19	0.11
Debt service coverage ratio***	Times	Earnings for Debt service= Net profit after tax + depreciation + interest	Debt service = Interest and lease payments+ Principal repayments	20.39	24.25
Return on equity ratio*	%	Profit for the year	Average total equity	21.23	13.61
Inventory turnover ratio	Times	Cost of Goods sold	Average inventory	5.67	4.99
Trade receivables turnover ratio	Times	Sales of products	Average trade receivables	6.82	5.97
Trade payables turnover ratio	Times	Cost of material + employee benefit expense+ other expenses	Average trade payable	6.59	5.92
Net capital turnover ratio	Times	Sales of products	Average working capital (i.e Total current assets less Total current liabilities)	3.40	3.66
Net profit ratio*	%	Profit for the year	Sales of products	11.55	8.08
Return on capital employed*	%	Profit before tax and finance cost	Capital employed = Net worth + Debt	22.52	16.41
Return on investment.**	%	Income generated from invested funds	Average invested funds in treasury investment	6.81	3.81

* The variation is more than 25% over last year due to improvement in revenue/cost optimisation resulting into improved profit

** The variation is more than 25% over last year on account of improved yield on the treasury investments and change of mix for investment in treasury instruments.

*** Due to term loan borrowings taken by Company during the year.

Notes to the standalone financial statements for the year ended March 31, 2023

48. During the year ended 31st March 2022, the Company has concluded the buyback of 3,50,000 equity shares (at a price of Rs. 1020/- per equity share) as approved by the Board of Directors on July 30, 2021. This has resulted in a total cash outflow of Rs. 449.7 Million (including tax on buyback of Rs. 82.4 Million & transaction cost of Rs. 10.3 Million). In line with the requirement of the Companies Act 2013, an amount of Rs. 446.2 Million has been utilized from retained earnings. Further, capital redemption reserve of Rs. 3.5 Million (representing the nominal value of the shares bought back) has been created as an apportionment from General reserve. Consequent to such buyback, the paid-up equity share capital has reduced by Rs. 3.5 Million.

49. SPR International Auto Exports Limited ("Subsidiary Company") was incorporated in 2005 and has not commenced any operations since then. Board of Directors of Subsidiary Company in their meeting held on April 05, 2022 and its shareholders in Annual General Meeting held on June 28, 2022 decided to make an application to the Registrar of Companies, under Section 248 (2) of the Companies Act, 2013 read with Rule 4, 5, 6 and 8 of the Companies (Removal of Names of Companies from the Register of Companies) Rules, 2016, for removing the name of the Company from Register of Companies. The application for removal of the name of the Subsidiary Company was submitted on September 13, 2022. The name of subsidiary company has been struck off from the Register of Companies on March 7, 2023 by the Registrar of Companies (Delhi & Haryana) and with this, the said company is dissolved.

50. The Company has invested Rs. 1,200.0 millions in SPR Engenious Limited (SEL), its wholly owned subsidiary (WOS), which has been incorporated on September 26, 2022 with the Registrar of Companies (Delhi & Haryana) with the purpose of diversifying its product portfolio in the areas related to the automotive segment.

51. The Board of directors of the company in its meeting held on February 08, 2023 has approved acquisition of majority stake of 75% in Tahakata Precision India Pvt Ltd. (TPIL) through SPR Engenious Limited (SEL), its wholly owned subsidiary. Takahata Precision Co. Ltd., Japan is the ultimate parent of TPIL and specialist in design and manufacturing of precision injection moulded components having a variety of functional products for automotive applications. The definitive agreements in connection with the proposed acquisition transaction has been executed on February 09, 2023.

52. The Company has no transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

53. Figures in brackets denote previous year figures.

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Prem Prakash Rathi
Chief Financial Officer

Pankaj Gupta
Company Secretary

Place: New Delhi
Date : May 08, 2023

CONSOLIDATED

Financial Statements

INDEPENDENT AUDITOR'S REPORT

To The Members of Shriram Pistons & Rings Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Shriram Pistons & Rings Limited ("the Parent"/"Company") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements financial information of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue recognition with respect to cut-off:** Revenue from contracts with customers for the period ended March 31, 2023 is Rs. 26,093.28 Million. Revenue from sale of products is recognized upon transfer of control to the customers. There is risk of cut-off in which revenue transactions occurring close to and after the year-end could be recorded in the financial year ended March 31, 2023. This is considered as a key audit matter. (Refer to Note 20 to the consolidated financial statements)	**Principal audit procedure performed** • We have assessed the Parent's accounting policy relating to revenue recognition. We have compared the policy with the Accounting Standards on "Revenue Recognition"; • We understood the processes and evaluated the design and implementation of the Parent's controls; • We tested the operating effectiveness of the Parent's controls over the recording of sales close to the year end; • We selected samples for detailed testing. We obtained the understanding of the terms of sales and tested the documentation including proof of delivery of the goods, underlying contracts and agreements.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board's Report and Business responsibility and sustainability Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which has been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

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

Other Matters

We did not audit the financial statements of 2 subsidiaries (Including 1 step-down subsidiary), whose financial statements reflect total assets of Rs. 1,755.95 Million as at March 31, 2023, total revenues of Rs. 237.11 Million and net cash inflows amounting to Rs. 74.75 Million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report of the other auditors.

We did not audit the financial statements of 1 subsidiary, whose financial statements reflect total revenues of Rs. 0.003 Million and net cash outflows amounting to Rs. 0.53 Million for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, this financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries, referred to in the Other Matters section above we report, to the extent applicable that:

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

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

   e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

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

      In our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

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

      i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group; Refer Note 37 to the consolidated financial statements

      ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; Refer Note 44 to the consolidated financial statements

      iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India; Refer Note 45 to the consolidated financial statements

   iv) (a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the note 39 to the consolidated 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 Parent or any such subsidiaries 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 Parent or any such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the note 39 to the consolidated financial statements, no funds have been received by the Parent or such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which is company incorporated in India whose financial statements has been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the Parent during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

As stated in note 12(f) to the financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Parent and its subsidiaries, which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.015125N)

Jitendra Agarwal
(Partner)
(Membership No. 087104)
(UDIN:23087104BGYKWZ1326)

Place: New Delhi
Date: May 8, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Shriram Pistons & Rings Limited (hereinafter referred to as "the Parent") and its subsidiary companies subsidiary which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 and the audit evidence obtained by other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

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

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to 2 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.015125N)

Jitendra Agarwal
(Partner)
(Membership No. 087104)
(UDIN:23087104BGYKWZ1326)

Place: New Delhi
Date: May 8, 2023

Consolidated Balance Sheet as at March 31, 2023

Rs. million

	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	5,432.67	5,763.35
b) Capital work-in-progress	3	46.71	46.94
c) Goodwill	4	330.75	14.85
d) Other Intangible assets	4	596.86	223.38
e) Right of use assets	4	971.62	888.66
f) Intangible assets under development	4	-	8.52
g) Financial assets			
(i) Investments	5	48.00	48.00
(ii) Other financial assets	6	987.35	254.99
h) Deferred tax assets (net)	16	22.34	-
i) Other non-current assets	8	273.27	252.59
		8,709.57	**7,501.28**
Current assets			
a) Inventories	9	3,388.84	3,334.79
b) Financial assets			
(i) Investments	5	674.97	271.75
(ii) Trade receivables	10	3,965.90	3,545.64
(iii) Cash and cash equivalents	11	305.15	195.22
(iv) Other bank balances other than (iii) above	11	6,163.77	3,302.48
(v) Other financial assets	6	201.43	72.79
c) Current tax assets (net)	7	0.90	-
d) Other current assets	8	340.59	277.29
		15,041.55	**10,999.96**
TOTAL ASSETS		**23,751.12**	**18,501.24**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	12	220.25	220.25
b) Other equity		15,054.31	12,330.04
Equity attributable to owners of the Company		15,274.56	12,550.29
c) Non-controlling interest		140.72	-
Total equity		15,415.28	12,550.29
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	13	1,460.18	403.39
(ii) Lease liabilities	34	276.44	193.44
(iii) Other financial liabilities	19	93.78	101.43
b) Provisions	14	287.22	262.65
c) Deferred tax liabilities (net)	16	220.87	220.16
d) Other non-current liabilities	15	5.21	4.04
		2,343.70	**1,185.11**
Current liabilities			
a) Financial liabilities			
(i) Borrowings	17	1,528.48	914.68
(ii) Lease liabilities	34	66.44	56.44
(iii) Trade payables	18		
- Total outstanding dues of micro and small enterprises		129.54	89.10
- Total outstanding dues of creditors other than micro and small enterprises		3,326.05	2,969.93
(iv) Other financial liabilities	19	184.98	147.84
b) Other Current Liabilities	15	582.08	481.27
c) Provisions	14	137.61	76.71
d) Current tax liabilities (net)	7	36.96	29.87
		5,992.14	**4,765.84**
TOTAL EQUITY AND LIABILITIES		**23,751.12**	**18,501.24**

See accompanying notes to the consolidated financial statements 1-56

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)

Jitendra Agarwal
Partner
(Membership no. 087104)

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : May 08, 2023

Consolidated Statement of Profit and Loss for the year ended March 31, 2023

Rs. million

		Note No.	For the Year ended March 31, 2023	For the Year ended March 31, 2022
I	Revenue from operations	20	26,093.28	20,646.64
II	Other income	21	466.63	292.15
III	**Total income (I+II)**		**26,559.91**	**20,938.79**
IV	**Expenses**			
	Cost of materials consumed	22	9,926.92	7,664.40
	Purchase of stock-in-trade		973.42	802.11
	(Increase) / Decrease in inventories of finished goods, work-in-progress and stock-in-trade	23	81.87	(596.81)
	Employee benefit expenses	24	4,143.59	3,917.64
	Finance costs	25	192.90	114.23
	Depreciation and amortisation expense	26	947.12	1,020.46
	Other expenses	27	6,363.91	5,814.70
	Total expenses		**22,629.73**	**18,736.73**
V	**Profit before tax (III-IV)**		**3,930.18**	**2,202.06**
VI	**Tax expense:**			
	i) Current tax	16	1,045.88	604.51
	ii) Deferred tax	16	(54.48)	(38.10)
			991.40	**566.41**
VII	Profit for the year (V-VI)		**2,938.78**	**1,635.65**
VIII	Other comprehensive income			
	A (i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the post employment defined benefit plans		117.17	33.06
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(29.49)	(8.32)
	B (i) Items that will be reclassified to profit or loss			
	a) Fair value change of cash flow hedge		13.87	(13.03)
	(ii) Income tax relating to items that will be reclassified to profit or loss		(3.49)	3.28
	Total other comprehensive income		**98.06**	**14.99**
IX	**Total Comprehensive income (VII+VIII)**		**3,036.84**	**1,650.64**
X	**Profit attributable to:**			
	Owners of Shriram Pistons and Rings Limited		2,934.58	-
	Non- controlling interest		4.20	-
			2,938.78	**-**
XI	**Other comprehensive income**			
	Owners of Shriram Pistons and Rings Limited		98.06	-
	Non- controlling interest		-	-
			98.06	**-**
XII	**Total Comprehensive income**			
	Owners of Shriram Pistons and Rings Limited		3,032.64	-
	Non- controlling interest		4.20	-
			3,036.84	**-**
	Earnings per share (of Rs. 10/- each)	29		
	Basic (Rs.)		133.43	74.26
	Diluted (Rs.)		133.43	74.26
	See accompanying notes to the consolidated financial statements	1-56		

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)

Jitendra Agarwal
Partner
(Membership no. 087104)

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : May 08, 2023

Consolidated Statement of Cash flows for the year ended March 31, 2023

Rs. million

			Year ended March 31, 2023	Year ended March 31, 2022
A.	**Cash flow from Operating Activities**			
	Profit for the year		2,938.78	1,635.65
	Adjustments for :			
	Tax expenses recognised in statement of profit and loss		1,008.89	566.41
	Depreciation/amortisation		947.12	1,020.46
	Finance costs		192.90	114.23
	Bad debts/advances written off		0.53	14.05
	Provision for doubtful debts (net)		6.56	(15.31)
	Interest income		(326.85)	(138.53)
	Net gain on sale/ fair valuation of current investment		(32.25)	(11.73)
	Unrealised exchange rate variation (net)		(27.24)	(26.26)
	Profit/loss on sale / retirement of property, plant and equipment		(28.35)	(7.86)
	Fair value change in Cash flow hedges (net of tax)		10.38	(9.75)
	Remeasurement of post employment defined benefit plans (net of tax)		87.68	24.74
	Operating profit before working capital changes		**4,778.15**	**3,166.10**
	Adjustments for:			
	(Increase)/ Decrease in inventories		20.83	(592.63)
	(Increase)/ Decrease in trade receivables		(396.28)	(296.96)
	(Increase)/ Decrease in loans and other financial assets (current and non current)		(36.10)	(3.27)
	(Increase)/ Decrease in other assets (current and non current)		(32.92)	97.39
	Increase/ (Decrease) in trade payables		381.12	189.66
	Increase/ (Decrease) in other financial liabilities (current and non current)		180.25	139.87
	Increase/ (Decrease) in other liabilities and provisions (current and non current)		96.03	65.94
	Cash Generated from operations		**4,991.08**	**2,766.10**
	Income tax paid		(1,039.31)	(572.94)
	Net cash from operating activities	**(A)**	**3,951.77**	**2,193.16**
B.	**Cash Flow from Investing Activities**			
	Interest received		196.56	95.38
	Sale of tangible assets		55.02	18.98
	Investment in equity shares		-	(48.00)
	Purchase of tangible assets		(503.43)	(295.41)
	Purchase of intangible assets		(770.77)	(338.39)
	Purchase of Current Investment		(14,201.52)	(9,374.15)
	Proceeds from sale of Current Investment		13,830.54	9,458.20
	Increase/(Decrease) in margin money with banks		(49.71)	0.07
	Increase / (Decrease) in Deposits more than 12 months		(641.90)	(79.63)
	Net cash (used) in investing activities	**(B)**	**(2,085.21)**	**(562.95)**

Rs. million

			Year ended March 31, 2023	Year ended March 31, 2022
C.	**Cash Flow from Financing Activities**			
	Payment of lease liability		(82.26)	(76.45)
	Interest on lease liability		(22.69)	(23.64)
	Interest paid		(168.70)	(89.77)
	Dividend paid		(308.35)	(132.15)
	Payment for buyback of shares including transaction cost		-	(449.67)
	Net proceeds / (repayment) of borrowings		1,308.68	-
	Proceeds from deposits		11.33	210.63
	Payment of deposits		(206.12)	(346.17)
	Net cash from/(used) in financing activities	**(C)**	**531.89**	**(907.22)**
	Net Increase/(Decrease) in cash and cash equivalents	**(A+B+C)**	**2,398.45**	**722.99**
	Cash and cash equivalents at the beginning of the year		**2,773.38**	**2,050.39**
	Cash and cash equivalents at the end of the year		**5,171.82**	**2,773.38**
	Components of cash and cash equivalents			
	Cash in hand		0.43	0.89
	Balances with banks			
	- current accounts		294.98	184.33
	- Other bank balances		5,998.51	3,312.48
	Working Capital loan from banks (Secured / Unsecured)		(1,122.10)	(724.32)
			5,171.82	**2,773.38**

Notes to statement of cash flows:

1. The Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7.

2. Disclosure under Para 44A as set out in IND AS on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

Changes in liabilities arising from financing activities

Rs. Million

Particular	Outstanding balance as on April 01,2022	Net proceeds / (repayment) of borrowings	Unrealised foreign exchange gain/ (loss)	Outstanding balance as on March 31,2023
Long term borrowing (Including current maturities of long term debt)	132.23	1,308.68	(20.81)	1,461.72

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)

Jitendra Agarwal
Partner
(Membership no. 087104)

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : May 08, 2023

Consolidated Statement of Change in Equity as at March 31, 2023

a) Fully paid up equity shares

(face value of Rs. 10/- each)

	Nos of shares	Rs. million
Balance as at March 31, 2022	2,20,24,912	220.25
Changes during the year	-	-
Balance as at March 31, 2023 (refer note 12)	**2,20,24,912**	**220.25**

(b) Other Equity

Rs. million

Particulars	Reserves and surplus						Items of other comprehensive income	Total	Non-Controlling interest
	Preference share redemption reserve*	Capital redemption reserve*	Revaluation reserve*	Retained earnings	General reserve	Sub Total	Effective portion of cash flow hedge reserve		
Balance as at March 31, 2021	388.58	-	97.32	1,300.00	9,472.14	11,258.04	(0.30)	11,257.74	-
Profit for the year				1,635.65		1,635.65	-	1,635.65	-
Reversal on disposal of revalued assets			(0.03)	-		(0.03)		(0.03)	
Dividends			-	(132.15)		(132.15)	-	(132.15)	-
Expense on buyback of equity shares**			-	(10.31)		(10.31)	-	(10.31)	-
Tax on buyback of equity shares**				(82.35)		(82.35)		(82.35)	-
Buyback of equity shares**		3.50	-	(353.50)	(3.50)	(353.50)	-	(353.50)	-
Other comprehensive income for the year, net of tax			-	24.74	-	24.74	(9.75)	14.99	-
Transfer to General reserve			-	(1,082.08)	1,082.08	-	-	-	-
Balance as at March 31, 2022	**388.58**	**3.50**	**97.29**	**1,300.00**	**10,550.72**	**12,340.09**	**(10.05)**	**12,330.04**	**-**
Profit for the year				2,934.58		2,934.58	-	2,934.58	4.20
Reversal on disposal of revalued assets			(0.02)	-		(0.02)		(0.02)	-
Dividends			-	(308.35)		(308.35)	-	(308.35)	-
Non-controlling interest on business combination during the year				-		-		-	136.52
Other comprehensive income for the year, net of tax			-	87.68	-	87.68	10.38	98.06	-
Transfer to General reserve			-	(2,713.91)	2,713.91	-	-	-	-
Balance as at March 31, 2023	**388.58**	**3.50**	**97.27**	**1,300.00**	**13,264.63**	**15,053.98**	**0.33**	**15,054.31**	**140.72**

* The revaluation reserve, preference share redemption reserve and capital redemption reserve are not "free Reserve" as per Companies Act 2013, hence not available for distribution of dividend.

** Refer note 49

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)

Jitendra Agarwal
Partner
(Membership no. 087104)

For and on behalf of the Board of Directors

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Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : May 08, 2023

Notes to the consolidated financial statements for the year ended March 31, 2023

1. Corporate information

The consolidated financial statements comprise financial statements of Shriram Pistons and Rings Limited (the Parent Company, having CIN No.- L29112DL1963PLC004084) and its subsidiaries (collectively referred as "the Group") for the year ended 31 March 2023. The Parent Company is a public company limited by shares, incorporated and domiciled and headquartered in India.

The Group is engaged in the business of manufacturing of auto components including pistons, piston pins, piston rings, engine valves, Electric Motors and Motor Controllers for the Electric Vehicles & other applications. The Group's consolidated financial statements have been approved for issuance by the Parent Company's Board of Directors on May 08, 2023.

1.1 Statement of Compliance

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 and Companies (Indian Accounting Standards) Amendment Rules, 2017 issued by the Ministry of Corporate Affairs ('MCA').

2. Significant accounting policies

2.1.1 Basis of accounting and preparation of financial statements

The Consolidated financial statements ("financial statements") have been prepared in accordance with the Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 and Companies (Indian Accounting Standards) Amendment Rules, 2017 issued by the Ministry of Corporate Affairs ('MCA').

The financial statements have been prepared under historical cost convention on accrual and going concern basis except for financial statements of subsidiary company, M/s SPR International Auto Exports Limited which are prepared on non-going concern basis (refer note 50) and for the certain financial instruments which have been measured at fair value as required by relevant Ind ASs.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The buyback of equity shares and related transaction costs are recorded as reduction of retained earnings/general reserves. Capital redemption reserve is created as an apportionment from general reserves.

2.1.2 Fair Value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Groups takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

- Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Notes to the consolidated financial statements for the year ended March 31, 2023

- Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

2.1.3 Basis of consolidation

The consolidated financial statements of the Parent Company and its subsidiaries, have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses. All intragroup assets and liabilities, equity, income, expenses, unrealised gain on transactions and cash flows relating to transactions between Group companies are eliminated in full on consolidation.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Parent Company's separate financial statements.

The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiaries. Control is achieved when the Parent Company:

- has power over the investee;

- is exposed, or has rights, to variable returns from its involvement with the investee; and

- has the ability to use its power to affect its returns.

The Parent Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Parent Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Parent Company considers all relevant facts and circumstances in assessing whether or not the Parent Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Parent Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

- potential voting rights held by the Parent Company, other vote holders or other parties;

- rights arising from other contractual arrangements; and

- any additional facts and circumstances that indicate that the Parent Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiaries begins when the Parent Company obtains control over the subsidiaries and ceases when the Parent Company loses control of the subsidiaries. Specifically, income and expenses of a subsidiaries acquired or disposed off during the year are included in the consolidated statement of profit and loss and other comprehensive income from the date the Parent Company gains control until the date when the Parent Company ceases to control the subsidiaries.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

2.1.4 Operating Cycle

Based on the nature of products/ activities of the Group and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Notes to the consolidated financial statements for the year ended March 31, 2023

2.2. Use of estimates

The preparation of the financial statements is in conformity with Indian Accounting Standards (Ind AS) and requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3. Revenue recognition

Revenue from the sale of products or services is recognized upon transfer of control to customers. Revenue is measured at the amount of consideration which the Group expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example, taxes and duties collected on behalf of the government). A receivable is recognized upon satisfaction of performance obligations as per the Contracts and is measured at transaction price.

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

Other revenues are recognised on accrual basis, except where there are uncertainties in realisation / determination of income and in such case income is recognised on realisation / certainty.

2.4. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

2.5.1. Property, plant and equipment

Property, plant and equipment held for use in production or supply of goods and services, or for administrative purpose, are stated at cost (net of Input Tax Credits availed) including taxes and other incidental expenses related to acquisition, installation and borrowing cost on loan taken for the acquisition of qualifying assets upto the date the assets are ready for their intended use.

2.5.2. Intangible assets

Intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the entity and the cost of the asset can be reliably measured.

Intangible assets held for use in production or supply of goods and services, or for administrative purpose, are stated at cost (net of Input Tax Credits availed) including taxes and other incidental expenses related to acquisition, installation and borrowing cost on loan taken for the acquisition of qualifying assets upto the date the assets are ready for their intended use.

2.5.3. Capital work-in-progress

Capital work-in-progress represents expenditure incurred in respect of capital projects under development and are carried at cost. Cost includes related acquisition expenses, development/ construction costs, borrowing costs and other direct expenditure.

2.5.4. Intangible assets under development

All development costs incurred in respect of new model development projects are capitalised under Intangible Assets under Development. Once the new model is commercialised, the cost accumulated in Intangible Assets under Development are classified as Intangible Assets corresponding to the new model development project.

Notes to the consolidated financial statements for the year ended March 31, 2023

2.5.5. Leases

Lessee Accounting

1. Lease liability is initially recognised and measured at an amount equal to the present value of minimum lease payments during the lease term that are not yet paid.
2. Right of use asset is recognised and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of the restoration costs and any initial direct costs incurred by the lessee. Right of use asset are amortise over the lease term.
3. The lease liability is measured in subsequent periods using the effective interest rate method. The right-of-use asset is depreciated in accordance with the requirements in Ind AS 16, Property, Plant and equipment.
4. Recognition and measurement exemption is available for low-value assets and short term leases. Assets of low value include IT equipment or office furniture. No monetary threshold has been defined for low-value assets. Short-term leases are defined as leases with a lease term of 12 months or less.

2.6. Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

The Group is following written down value method in case of Furniture, fixtures and office equipment and straight line method in respect of other assets.

Depreciation on tangible property, plant and equipment has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed based on technical advice, taking into account the nature, the estimated usage, operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance practices etc.

Parent Company

Plant and machinery

- General	-	twenty years
- Electric Installation / Equipment	-	fifteen years
- Dies	-	three years
Road	-	twenty years
Bore well	-	fifteen years
Vehicle	-	five years
Furniture and Fixture / Office Equipment	-	five years

All intangible assets are amortised on straight-line method over their estimated useful life as under.

Computer Software	-	three years
Product Design	-	three years
Right of Use Assets - enabling assets	-	fifteen years
Right of Use Assets under leases	-	over the lease period
Trademarks acquired on acquisition	-	ten years
Customer Contracts acquired business combination	-	ten years

Assets acquired on business combination

Plant and machinery

- General	-	eight years
- Electric Installation / Equipment	-	five years
- Building Improvement	-	five years
- Plant and equipment – welding	-	fifteen years

All intangible assets are amortised on straight-line method over their estimated useful life as under.

Product Design & Development	-	ten years
Right of Use Assets under leases	-	over the lease period

Assets costing up to Rs. 5,000 are fully depreciated in the year of acquisition.

Depreciation on assets acquired/sold/discarded during the year is charged on pro-rata basis except for Furniture, Fixtures and Equipments where full year's depreciation is computed in the year of acquisition and no depreciation is provided in the year of sale.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and the effect of any changes in estimate is accounted for on a prospective basis.

An item of property, plant and equipment and intangible asset is derecognised on disposal, or when no future economic benefit are expected to arise from the continued use of assets. Any gain and loss arising on the disposal of or retirement is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the statement of profit and loss.

2.7. Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

Financial assets

All regular way purchases or sales of financial assets are accounted for at trade date basis. Regular way purchases or sales are purchase or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost

i) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

i) The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

Financial asset which are not classified in any of the above categories are subsequently measured at fair value through profit or loss (FVTPL).

Investments

Investments in mutual funds and investment in equity instrument are measured at fair value through profit or loss.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost or at fair value through profit or loss (FVTPL). For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Fair value is determined in the manner described in note no 40.

2.8. Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and cross currency interest rate swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

(i) Financial assets or financial liabilities, at fair value through profit or loss.

This category has derivative financial assets or liabilities which are not designated as hedges. Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through the statement of profit and loss and the resulting exchange gains or losses are included in the statement of profit and loss. Assets/liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance sheet date.

(ii) Hedge accounting

The Group designates the derivatives as hedge of foreign exchange risk associated with the cash flows of highly probable forecast transaction, variable interest risk and foreign exchange risk associated with borrowings.

The Group documents at the inception of the hedging transaction the economic relationship between hedging instrument and hedge items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

When forward contracts are used to hedge forecast transactions, the Group generally designates related forward contract related as the hedging instruments.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognised in other comprehensive income and accumulated under the heading of cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to the statement of profit and loss in the periods

when the hedged item affects profit or loss, in the same line as the recognised hedged item. For the same, Company matches critical terms of hedge item and hedge instruments.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction and cross currency interest rate swap transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction and cross currency interest rate swap transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

Fair value is determined in the manner described in note no 40.

2.9. Inventories

Inventories are valued on the following basis:

i) Raw materials and components - at lower of cost determined on weighted average basis or net realisable value.

ii) Stock in process – at lower of cost or net realisable value.

iii) Finished goods stock/Stock-in-trade - at lower of cost or net realisable value.

Cost of raw materials includes 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 includes cost of direct materials and labour and an appropriate proportion of manufacturing overheads based on the normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.10. Foreign currency transactions and translations

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing on or closely approximating to the date of transaction.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Advance received or paid in foreign currency are recognised at the exchange rate on the date of transaction and are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except exchange differences on transactions entered into in order to hedge certain foreign currency risks.

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

2.11. Employee benefits

Retirement benefit costs and termination benefits:

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

Contribution towards Provident Fund and Superannuation Fund is paid as per the statutory provisions/Company's scheme. These benefits are charged to the statement of profit and loss of the year when they become due. For the provident fund trust administrated by the trustees, the Group is liable to meet the shortfall, if any, in payment of

interest at the rates declared by Central Government and such liability is recognised in the year of shortfall. For defined post employment employee benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

i) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

ii) Net interest expense or income; and

iii) Remeasurement.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Leave availment / encashment benefit is provided as per Company's scheme. Employees are entitled to accumulate leaves subject to certain limit as per Company's scheme.

Liabilities for compensated absence that are not expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service, are measured at the present value of expected future payment to be made in respect of service provided by employees up to the end of reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of reporting period. Remeasurement as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss.

Employee benefits in the form of long service awards is provided as per Company scheme. The liability is determined through actuarial valuation using projected unit credit method.

2.12. Research and development

Revenue expenditure on research and development, inclusive of dies for new model development, is charged as expense in the year in which incurred. Capital expenditure is included in Property, plant, equipment and intangible assets.

2.13. Taxes on income

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred

income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.14. Borrowing costs

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

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

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

2.15. Earnings per share

Basic earnings per share is calculated by dividing profit or loss attributable to the owners of the Group by weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split and any new equity issue.

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

2.16. Impairment of assets

The carrying values of Property, plant and equipment and Intangible assets or cash generating units are reviewed at each Balance sheet date for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the statement of profit and loss.

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

2.17. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.18. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.

Notes to the consolidated financial statements for the year ended March 31, 2023

When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.

2.19. Business Combination

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. Acquisition related costs are recognised in profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except certain assets and liabilities that are required to be measured as per the applicable standard. Purchase consideration in excess of the Company's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognised as goodwill. Excess of the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognised, after reassessment of fair value of net assets acquired, in the Capital Reserve. The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets.

Notes to the consolidated financial statements for the year ended March 31, 2023

3. Property, plant & equipment

Rs. million

Particulars	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Dies	Total
Year ended 31 March 2022							
Gross carrying amount							
Opening gross carrying amount	1,622.78	9,072.13	55.85	133.53	181.74	143.48	11,209.51
Additions	10.72	476.63	7.88	2.96	33.57	27.06	558.82
Disposals	(1.44)	(18.40)	(3.38)	(10.31)	(13.36)	(10.76)	(57.65)
Closing gross carrying amount as at March 31, 2022	**1,632.06**	**9,530.36**	**60.35**	**126.18**	**201.95**	**159.78**	**11,710.68**
Accumulated depreciation and impairment							
Opening accumulated depreciation and impairment	357.24	4,360.26	44.65	72.67	135.96	103.30	5,074.08
Depreciation charged during the year	66.11	773.70	6.59	23.05	29.56	19.72	918.73
Disposals	(0.44)	(12.61)	(2.73)	(8.92)	(10.73)	(10.05)	(45.48)
Closing accumulated depreciation and impairment as at March 31, 2022	**422.91**	**5,121.35**	**48.51**	**86.80**	**154.79**	**112.97**	**5,947.33**
Net carrying amount as at March 31, 2022	**1,209.15**	**4,409.01**	**11.84**	**39.38**	**47.16**	**46.81**	**5,763.35**
Year ended 31 March 2023							
Gross carrying amount							
Opening gross carrying amount	1,632.06	9,530.36	60.35	126.18	201.95	159.78	11,710.68
Additions	51.09	301.15	6.08	47.54	36.02	41.56	483.44
Addition pursuant to business combination (refer note 46)	19.54	33.18	1.89	0.08	7.33	-	62.02
Disposals	(1.99)	(9.97)	(5.97)	(128.09)	(17.31)	(16.96)	(180.29)
Closing gross carrying amount as at March 31, 2023	**1,700.70**	**9,854.72**	**62.35**	**45.71**	**227.99**	**184.38**	**12,075.85**
Accumulated depreciation and impairment							
Opening accumulated depreciation and impairment	422.91	5,121.35	48.51	86.80	154.79	112.97	5,947.33
Depreciation charged during the year	66.85	681.38	6.30	20.35	32.22	22.52	829.62
Addition pursuant to business combination (refer note 46)	5.61	7.93	0.39	0.01	3.89	-	17.83
Disposals	(1.52)	(6.93)	(5.33)	(107.16)	(14.61)	(16.05)	(151.60)
Closing accumulated depreciation and impairment as at March 31, 2023	**493.85**	**5,803.73**	**49.87**	**-**	**176.29**	**119.44**	**6,643.18**
Net carrying amount as at March 31, 2023	**1,206.85**	**4,050.99**	**12.48**	**45.71**	**51.70**	**64.94**	**5,432.67**

The Parent Company's assets are pledged as security against borrowings, refer note no. 13 & 17.

Notes to the consolidated financial statements for the year ended March 31, 2023

Capital-Work-in Progress (CWIP)

Capital-work-in progress ageing schedule is as under:

Particulars	As on 31st March 2022				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	46.70	-	0.24	-	46.94
Projects temporarily suspended	-	-	-	-	-

*The projects in progress as on 31st March 2022, will be completed within 1 year.

Particulars	As on 31st March 2023				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress**	46.11	0.31	0.29	-	46.71
Projects temporarily suspended	-	-	-	-	-

The Parent Company's assets are pledged as security against borrowings, refer note no. 13 & 17.

**The projects in progress as on 31st March 2023, will be completed within 1 year.

4. Intangible assets

Rs. million

Particulars	Goodwill	Right of use assets - leases (refer note 34)	Other intangible assets								Grand Total
			Computer software	Product design and development	Right of use assets - enabling assets	Customer contracts	Trademarks	Technology	Non-compete	Sub total	
Year ended 31 March 2022											
Gross carrying amount											
Opening gross carrying amount	14.85	762.21	74.16	62.59	85.59	114.36	103.78	-	-	440.48	1,217.54
Additions	-	313.30	14.46	10.68	-	-	-	-	-	25.14	338.44
Disposals	-	-	-	(0.80)	-	-	-	-	-	(0.80)	(0.80)
Closing gross carrying amount as at March 31, 2022	**14.85**	**1,075.51**	**88.62**	**72.47**	**85.59**	**114.36**	**103.78**	**-**	**-**	**464.82**	**1,555.18**
Accumulated amortization and impairment											
Opening accumulated depreciation and impairment	-	120.70	68.44	62.58	10.15	34.31	31.14	-	-	206.62	327.32
Depreciation / amortisation charged during the year	-	66.15	4.75	3.56	5.46	11.44	10.37	-	-	35.58	101.73
Disposals	-	-	-	(0.76)	-	-	-	-	-	(0.76)	(0.76)
Closing accumulated depreciation and impairment as at March 31, 2022	**-**	**186.85**	**73.19**	**65.38**	**15.61**	**45.75**	**41.51**	**-**	**-**	**241.44**	**428.29**
Net carrying amount as at March 31, 2022	**14.85**	**888.66**	**15.43**	**7.09**	**69.98**	**68.61**	**62.27**	**-**	**-**	**223.38**	**1,126.89**

Notes to the consolidated financial statements for the year ended March 31, 2023

Rs. million

Particulars	Goodwill	Right of use assets - leases (refer note 34)	Other intangible assets								Grand Total
			Computer software	Product design and development	Right of use assets - enabling assets	Customer contracts	Trademarks	Technology	Non-compete	Sub total	
Year ended 31 March 2023											
Gross carrying amount											
Opening gross carrying amount	14.85	1,075.51	88.62	72.47	85.59	114.36	103.78	-	-	464.82	1,555.18
Additions	-	122.37	7.11	19.80	-	-	-	-	-	26.91	149.28
Addition pursuant to business combination (refer note 46)	315.90	32.43	-	-	-	-	-	307.60	90.84	398.44	746.77
Disposals	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount as at March 31, 2023	**330.75**	**1,230.31**	**95.73**	**92.27**	**85.59**	**114.36**	**103.78**	**307.60**	**90.84**	**890.17**	**2,451.23**
Accumulated amortization and impairment											
Opening accumulated depreciation and impairment	-	186.85	73.19	65.38	15.61	45.75	41.51	-	-	241.44	428.29
Depreciation/amortisation charged during the year	-	70.85	2.92	6.31	5.57	11.44	10.38	7.21	2.81	46.64	117.49
Addition pursuant to business combination (refer note 46)	-	0.99	-	-	-	-	-	5.23	-	5.23	6.22
Disposals	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation and Impairment as at March 31, 2023	**-**	**258.69**	**76.11**	**71.69**	**21.18**	**57.19**	**51.89**	**12.44**	**2.81**	**293.31**	**552.00**
Net carrying amount as at March 31, 2023	**330.75**	**971.62**	**19.62**	**20.58**	**64.41**	**57.17**	**51.89**	**295.16**	**88.03**	**596.86**	**1,899.23**

The right of use assets (land) of Parent Company is mortgaged as security against borrowings, refer note no. 13 & 17.

During the year, the Parent Company has recognised goodwill of Rs. 315.87 million pertaining to acquisition of 51% shareholding in EMF Innovations Pvt Ltd. (refer note 46). In previous years, goodwill of Rs. 14.85 million recognised on amalgamation of Shriram Automotive Product Limited. Goodwill is tested for impairment on annual basis and wherever there is an indication that the recoverable amount is less than its carrying amount based on a number of factors including in business plan, operating results, future cash flows and economic conditions. The recoverable amount is determined based on higher of value in use and fair value less cost to sell. The group generally uses discounted cash flows method to determine the recoverable amount. These discounted cash flow calculation are based on financial forecasts. Cash flow projections take into account past experience and represent management's best estimate about future developments.

Intangible assets under development

Intangible assets under development ageing schedule is as under:

Particulars	As on 31st March 2022				
	Amount in Intangible under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	-	8.52	-	-	8.52
Projects temporarily suspended	-	-	-	-	-

*The projects in progress as on 31st March 2022, will be completed within 1 year.

Notes to the consolidated financial statements for the year ended March 31, 2023

Particulars	As on 31st March 2023				
	Amount in Intangible under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

5. Investments

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Rs. million	No. of shares	Rs. million
Non Current Investment (Unquoted)				
Investment carried at Fair value through Profit or Loss				
Lalganj Power Private Limited (fully paid up of Rs. 10 each)	36,36,364	48.00	36,36,364	48.00
	36,36,364	**48.00**	**36,36,364**	**48.00**
Current Investment (Unquoted)				
Carried at fair value through Statement of Profit and loss				
Investment in Mutual fund (Liquid fund) Units of Face value of Rs. 1000 each				
- 126846 units (Previous year: 75808) Axis Overnight Fund Direct Growth		150.38		85.20
- 3855 units (Previous year: 15341) SBI Overnight Fund Direct Growth		14.07		53.10
- 97111 units (Previous year: 31864) Axis Liquid Fund - Direct Growth		242.86		75.33
- 1740 units (Previous year: 19974) UTI Overnight Fund - Direct Plan - Growth		5.34		58.12
- 3433 units (Previous year: Nil) SBI Liquid Fund Direct Growth		12.10		-
- 31833 units (Previous year: Nil) UTI Liquid Cash Plan -Direct Plan - Growth		117.44		-
- 59218 units (Previous year: Nil) HSBC Liquid Fund Direct Growth		132.78		-
		674.97		**271.75**

Notes to the consolidated financial statements for the year ended March 31, 2023

6. Other Financial Assets

(At amortised cost excluding derivative instrument)

Rs. million

	As at March 31, 2023		As at March 31, 2022	
	Current	Non current	Current	Non current
Bank Deposit more than 12 months (refer note 11)	-	721.52	-	79.63
Security Deposit	3.75	195.48	3.76	174.63
Interest accrued on deposits	192.20	-	69.03	-
Derivative instrument (refer note 40)	5.48	19.90	-	-
Deposit with banks held as margin money (refer note 11)	-	50.45	-	0.73
	201.43	**987.35**	**72.79**	**254.99**

7. Tax assets/ (liabilities) net

Rs. million

	As at March 31, 2023	As at March 31, 2022
Advance income tax	1,009.82	574.64
less: Provision for income tax	(1,045.88)	(604.51)
Net	**(36.06)**	**(29.87)**

8. Other assets

(Unsecured, considered good unless stated otherwise)

Rs. million

	As at March 31, 2023		As at March 31, 2022	
	Current	Non current	Current	Non current
i) Capital advances	-	64.09	-	32.01
ii) Advances other than capital advances recoverable in cash or in kind or for value to be received				
Unsecured, considered good	118.88	2.11	61.51	-
Unsecured, Considered doubtful	14.60	-	10.25	
	133.48	2.11	71.76	-
Provision for doubtful advances	(14.60)	-	(10.25)	-
	118.88	**2.11**	**61.51**	**-**

Notes to the consolidated financial statements for the year ended March 31, 2023

Rs. million

	As at March 31, 2023		As at March 31, 2022	
	Current	Non current	Current	Non current
iii) Export incentive receivable				
Unsecured, considered good	22.61	13.67	63.14	27.95
Unsecured, considered doubtful	0.72	3.57	0.56	3.30
	23.33	17.24	63.70	31.25
Provision for doubtful advances	(0.72)	(3.57)	(0.56)	(3.30)
	22.61	**13.67**	**63.14**	**27.95**
iv) Balance with government authorities- Goods and service tax	77.87	-	52.02	-
v) Prepaid expenses	43.61	10.99	78.69	8.49
vi) Other assets				
Unsecured, considered good*	77.62	182.41	21.93	184.14
Unsecured, considered doubtful	3.83	-	3.95	-
	81.45	182.41	25.88	184.14
Provision for doubtful	(3.83)	-	(3.95)	-
	77.62	**182.41**	**21.93**	**184.14**
	340.59	**273.27**	**277.29**	**252.59**

* Other assets - non current, represents paid under protest to government authorities.

9. Inventories

(valued at lower of cost or net realisable value)

Rs. million

	As at March 31, 2023	As at March 31, 2022
Raw material and components (includes in transit Rs. 4.39 million (previous year: Rs. Nil million))	727.42	612.99
Work-in-progress (includes in transit Rs. 8.09 million (previous year: Rs. 4.94 million))	1,000.67	1,079.57
Finished goods (includes in transit Rs. 64.72 million (previous year: Rs. 85.54 million))	1,284.73	1,278.79
Stock- in - trade (includes in transit Rs. 1.97 million (previous year: Rs. 11.12 million))	44.61	43.31
Stores and spares (includes in transit Rs. 0.88 million (previous year: Rs. 3.00 million))	293.75	279.88
Loose tools	37.66	40.25
	3,388.84	**3,334.79**

The inventories of Parent Company are hypothecated as security against working capital loans from banks, refer note no 17

Notes to the consolidated financial statements for the year ended March 31, 2023

10. Trade receivables

(Unsecured, considered good unless stated otherwise)

(At amortised cost)

Rs. million

	As at March 31, 2023	As at March 31, 2022
Current		
Considered good*	3,965.90	3,545.64
Credit impaired	32.21	30.16
	3,998.11	3,575.80
Impairment of trade receivables	(32.21)	(30.16)
	3,965.90	**3,545.64**

The trade receivables of Parent Company are pledged as security against working capital loans from banks, refer note no 17

* There is no trade receivable which have significant increase in credit risk.

Trade receivable ageing as on 31st March 2022 is as under:

Rs. Million

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	3,145.20	387.89	12.55	-	-	-	3,545.64
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	3.48	2.13	5.86	6.51	11.30	29.28
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	0.88	0.88
	-	**3,145.20**	**391.37**	**14.68**	**5.86**	**6.51**	**12.18**	**3,575.80**

Notes to the consolidated financial statements for the year ended March 31, 2023

Trade receivable ageing as on 31st March 2023 is as under:

Rs. Million

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	3,511.07	433.06	21.77	-	-	-	3,965.90
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	4.41	4.31	6.02	3.38	13.21	31.33
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	0.88	0.88
Total	**-**	**3,511.07**	**437.47**	**26.08**	**6.02**	**3.38**	**14.09**	**3,998.11**

11. Cash and cash equivalents and other bank balances

(At amortised cost)

Rs. million

	As at March 31, 2023		As at March 31, 2022	
	Current	Non current	Current	Non current
i) Cash and cash equivalents				
Cash on hand	0.43	-	0.89	-
Balances with banks				
- Deposits with banks, with original maturity less than 3 months	-	-	10.00	
- current accounts	304.72	-	184.33	-
	305.15	**-**	**195.22**	**-**
ii) Other bank balances				
- Unclaimed dividend account	0.53	-	0.66	-
- Unspent CSR account	5.50	-	7.22	
- Deposits with banks, with original maturity more than 3 months	5,842.34	721.52	3,188.97	79.63
- Deposits with banks held as margin money	315.40	50.45	105.63	0.73
	6,163.77	**771.97**	**3,302.48**	**80.36**
	6,468.92	**771.97**	**3,497.70**	**80.36**
Less : Amounts disclosed under other financial assets (refer note 6)	-	(771.97)	-	(80.36)
	6,468.92	**-**	**3,497.70**	**-**

Notes to the consolidated financial statements for the year ended March 31, 2023

12. Equity share capital

Rs. million

	As at March 31, 2023	As at March 31, 2022
Authorised Shares		
52,500,000 (previous year 52,500,000) equity shares of Rs. 10 each	525.00	525.00
3,000,000 (previous year 3,000,000) preference shares of Rs. 100 each	300.00	300.00
	825.00	**825.00**

a. Issued, subscribed and fully paid up shares

22,024,912 (previous year 22,024,912) equity shares of Rs. 10 each	220.25	220.25
	220.25	**220.25**

b. Terms/rights attached to equity shares

The Parent Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to dividend and one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

c. Reconciliation of numbers of equity shares outstanding at the beginning and at the end of reporting year

Rs. million

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Rs. million	No. of shares	Rs. million
Opening balance	2,20,24,912	220.25	2,23,74,912	223.75
Issued during the year	-	-	-	-
Buyback during the year (refer note 49)	-	-	3,50,000	3.50
Closing balance	**2,20,24,912**	**220.25**	**2,20,24,912**	**220.25**

d. Details of equity shareholders holding more than 5% shares in the Parent Company

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% shareholding	No. of shares	% shareholding
Equity shares of Rs. 10 each fully paid				
Riken Corporation	46,92,057	21.30	46,92,057	21.30
KS Kolbenschmidt GmbH	44,74,974	20.32	44,74,974	20.32
Luv D. Shriram and Meenakshi Dass*	33,33,931	15.14	33,33,931	15.14
Meenakshi Dass and Luv D. Shriram *	33,33,931	15.14	33,33,931	15.14
National Insurance Company Limited	13,84,055	6.28	13,84,733	6.29

* Shares held on behalf of Deepak Shriram Family Benefit Trust.

Notes to the consolidated financial statements for the year ended March 31, 2023

e) Details of Shares held by Promoters in the Parent Company at the end of the year

Name of promotor	As at March 31, 2023			As at March 31, 2022		
	No. of shares	% shareholding	% Change during the year	No. of shares	% shareholding	% Change during the year
Meenakshi Dass & Luv D. Shriram*	33,33,931	15.14	-	33,33,931	15.14	0.23
Luv D. Shriram & Meenakshi Dass*	33,33,931	15.14	-	33,33,931	15.14	0.23
Meenakshi Dass	8,34,720	3.79	-	8,34,720	3.79	(1.29)
Nandishi Shriram	865	0.004	-	865	0.004	(0.0003)
Luv D. Shriram and Kush D. Shriram**	2	0.00001	-	2	0.00001	0.0000001
Luv D. Shriram	5,450	0.02	-	5,450	0.02	0.02
Sarva Commercial Pvt. Ltd.	10,66,580	4.84	-	10,66,580	4.84	0.09
Sera Com Pvt. Ltd	9,50,397	4.32	-	9,50,397	4.32	0.09
Manisha Commercial Pvt. Ltd.	6,67,979	3.03	-	6,67,979	3.03	0.06
Shabnam Commercial Pvt. Ltd.	1,03,197	0.47	-	1,03,197	0.47	0.01
Kush D. Shriram	1	0.000005	-	1	0.000005	-

* Shares held on behalf of Deepak Shriram Family Benefit Trust.

** Shares held on behalf NAK Benefit Trust.

f) The Board of directors, in its meeting of May 08, 2023, has proposed final special "Golden Jubilee" dividend of Rs. 5/- per equity share (face value of Rs. 10 per equity share) to equity shareholders for the year ended March 31, 2023. This dividend together with the interim dividend of Rs. 10 per equity share, aggregating total dividend to Rs. 15/-per equity share for the financial year 2022-23. The final dividend is subject to the approval of shareholders in Annual General Meeting of the Parent Company and same has not been recognised as liability in financial statements for the year ended March 31, 2023.

13. Borrowings

Rs. million

	As at March 31, 2023		As at March 31, 2022	
	Current	Non current	Current	Non current
Secured				
Term loans from banks	180.12	1,194.33	-	-
Unsecured				
Loans	-	87.27	-	-
Deposits	192.98	167.80	164.67	359.30
Deposits from related parties (refer note 32)	33.31	10.78	21.65	44.09
	406.41	**1,460.18**	**186.32**	**403.39**
Less : Current maturities of long term debt (refer note 17)	(406.41)	-	(186.32)	-
	-	**1,460.18**	**-**	**403.39**

Notes to the consolidated financial statements for the year ended March 31, 2023

i) Term loans from banks of Rs. 1374.45 million (previous year: nil) are secured by way of first pari passu charge on all the movable and immovable property, plant & equipment and right of use assets (land) of the Parent Company, present and future.

Amount outstanding		Repayment period from origination (years)	Instalments outstanding		Effective Rate of Interest per annum %	
As at March 31, 2023 (Rs. million)	As at March 31, 2022 (Rs. million)		No.	As at March 31, 2023 Periodicity	As at March 31, 2023	As at March 31, 2022
400.00	-	6*	20	Quarterly	7.30	-
623.68	-	6*	20	Quarterly	7.18	-
196.00	-	6	23	Quarterly	7.56	-
89.77	-	6	23	Quarterly	7.62	-
65.00	-	6	24	Quarterly	8.00	-
1,374.45	**-**					

* The repayment period includes moratorium of 1 year from the date of origination

ii) External commercial borrowing of EMF Innovations Private Limited, step-down subsidiary, amounting to SGD 1.41 million equivalent Rs. 87.27 million is un-secured.

Amount outstanding	Repayment period from origination (years)	Instalments outstanding	Effective Rate of Interest per annum (%)
As at March 31, 2023 (Rs. million)		As at March 31, 2023 No.	As at March 31, 2023
87.27	6	2	Nil

iii) The long term deposits have been raised by Parent Company under Section 58A of the Companies Act, 1956 and Section 73 to 76 of the Companies Act, 2013 for maturity period of 2 and 3 years.

Amount outstanding		Repayment period from origination (years)	Rate of Interest per annum (%)	
As at March 31, 2023 (Rs. million)	As at March 31, 2022 (Rs. million)		As at March 31, 2023	As at March 31, 2022
5.42	29.59	2	6.00-9.50	8.00-9.50
399.44	560.12	3		
404.86	**589.71**			

14. Provisions

Rs. million

	As at March 31, 2023		As at March 31, 2022	
	Current	Non current	Current	Non current
Provision for employee benefits	137.61	287.22	76.71	262.65
	137.61	**287.22**	**76.71**	**262.65**

Notes to the consolidated financial statements for the year ended March 31, 2023

15. Other liabilities

Rs. million

	As at March 31, 2023		As at March 31, 2022	
	Current	Non current	Current	Non current
Security deposits*	128.91	4.40	126.15	4.04
Advances from customers	139.62	-	62.27	-
Statutory dues	262.53	-	236.12	-
Others	51.02	0.81	56.73	-
	582.08	**5.21**	**481.27**	**4.04**

*The security deposits have been received by the Company from customers/vendors in the normal course of business.

16. a) Deferred tax liability (net)

Rs. million

	As at March 31, 2023	As at March 31, 2022
Deferred tax liability (net)		
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	316.85	330.79
Unrealised Income on Mutual Fund	-	0.09
Expenses deductible on payment basis	(131.08)	(114.42)
Provision for doubtful debts/advances	(13.78)	(12.14)
Fair value change in Cash flow hedges	(4.73)	(8.22)
Remeasurement of post employment defined benefit plans	53.61	24.06
	220.87	**220.16**
Deferred tax assets (net)		
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	0.21	-
Unabsorbed depreciation	(0.05)	-
Carryforward business loss	(17.85)	-
Pre-incorporation expenses	(2.82)	-
Provision for doubtful debts/advances	(1.80)	-
Remeasurement of post employment defined benefit plans	(0.03)	-
	(22.34)	**-**
Deferred tax liability (net)	**198.53**	**220.16**

Notes to the consolidated financial statements for the year ended March 31, 2023

b) Reconciliation of tax expenses and accounting profit

Rs. million

	As at March 31, 2023	As at March 31, 2022
Profit before tax from continuing operation	3,930.18	2,202.06
Income tax expenses calculated at current tax rate	976.72	554.21
Add : Effect of expenses that are not deductible in determining taxable profit.		
(i) Corporate Social Responsibility Expenditure	7.78	7.48
(ii) Donation under section 80G	0.91	0.63
(iii) Interest to MSMED parties	0.12	0.02
(iv) Interest on Income Tax	1.72	0.39
(v) Amortisation of right of use (land)	2.14	1.58
(vi) Amortisation of intangible assets (Goodwill)	2.10	-
(vii) Pre-incorporation expense	0.04	2.10
(viii) Adjustment of prior period	(0.13)	-
Income tax expenses recognised in statement of profit & loss	**991.40**	**566.41**

17. Short term borrowings

(At amortised cost)

Rs. million

	As at March 31, 2023	As at March 31, 2022
Secured		
Working capital loans from banks repayable on demand#	1,122.08	724.32
Current maturities of long term borrowing (refer note 13)	180.12	-
Unsecured		
Deposits*	-	4.04
Current maturities of long term borrowing (refer note 13)	226.28	186.32
	1,528.48	**914.68**

#Working capital loans of Rs. 1017.08 million. are secured by way of first pari passu charge on inventories and trade receivables of the Parent Company, present and future and second pari passu charge on all the movable and immovable property, plant & equipment and right of use assets (land) of the Parent Company, present and future and Rs. 105.00 million is secured by way of lien on the bank deposit of Rs. 250.50 million.

*The short term deposits have been raised by Parent Company under Section 58A of the Companies Act, 1956 and Section 73 to 76 of the Companies Act, 2013 for maturity period of 1 year.

Notes to the consolidated financial statements for the year ended March 31, 2023

18. Trade payables

(At amortised cost)

Rs. million

	As at March 31, 2023	As at March 31, 2022
- Total outstanding dues of micro and small enterprises	129.54	89.10
- Total outstanding dues of creditors other than micro and small enterprises	3,326.05	2,969.93
	3,455.59	**3,059.03**

Trade payable includes Rs. 114.23 million (previous year: Rs. 80.42 million) due to related parties (refer note 32)

Trade Payables ageing schedule as on 31st March 2022 is as under:

Particulars		Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				
				Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	-	79.35	9.75	-	-	-	89.10
(ii)	Disputed dues – MSME	-	-	-	-	-	-	-
(iii)	Others	-	2,682.27	277.92	2.68	5.73	1.33	2,969.93
(iv)	Disputed dues - Others	-	-	-	-	-	-	-
		-	**2,761.62**	**287.67**	**2.68**	**5.73**	**1.33**	**3,059.03**

Trade Payables ageing schedule as on 31st March 2023 is as under:

Particulars		Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				
				Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	-	127.79	1.75	-	-	-	129.54
(ii)	Disputed dues – MSME	-	-	-	-	-	-	-
(iii)	Others	-	2,947.64	370.99	0.37	0.51	6.54	3,326.05
(iv)	Disputed dues - Others	-	-	-	-	-	-	-
		-	**3,075.43**	**372.74**	**0.37**	**0.51**	**6.54**	**3,455.59**

19. Other financial liabilities

(At amortised cost)

Rs. million

	As at March 31, 2023		As at March 31, 2022	
	Current	Non current	Current	Non current
Interest accrued but not due on borrowings	60.62	-	56.41	-
Unclaimed dividends*	0.53	-	0.66	-
Unclaimed matured deposits and interest accrued thereon*	5.11	-	13.00	-
Capital creditors	63.72	90.83	65.59	101.43
Derivative instrument (refer note 40)	-	-	12.18	-
Payable on account of business acquisition	55.00	-	-	-
Others	-	2.95	-	-
	184.98	**93.78**	**147.84**	**101.43**

*Not due for transfer to investor education and protection fund

Notes to the consolidated financial statements for the year ended March 31, 2023

20. Revenue from operations

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Sale of products	25,642.18	20,233.98
Other operating revenues		
- sale of scrap	350.68	335.82
- export benefits*	95.57	67.83
- others	4.85	9.01
	26,093.28	**20,646.64**

*Export benefits are in the nature of government grants covering following:

Rs. million

	As at March 31, 2023	As at March 31, 2022
Remission of Duties and Taxes on Export Products (RoDTEP)	22.17	6.85
Duty draw backs	73.40	60.98
	95.57	**67.83**

21. Other income

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Interest income		
- Bank deposits	319.12	129.79
- Others	7.73	8.75
Net gain on sale/fair valuation of current investment	32.25	11.73
Profit / gain on sale/disposal of property, plant and equipment / right of use of assets (land)	28.35	7.85
Foreign exchange gain (net)	30.69	95.80
Provision for doubtful debts and advances written back (net)	-	15.31
Other non-operating income	48.49	22.92
	466.63	**292.15**

22. Cost of material consumed

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Cost of raw material and components consumed	9,370.58	7,213.36
Cost of packing material consumed	556.34	451.04
	9,926.92	**7,664.40**

Notes to the consolidated financial statements for the year ended March 31, 2023

23. (Increase) / Decrease in inventories of finished goods , work-in-progress and stock-in-trade

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Inventories at the end of the year		
Work-in-progress	994.13	1,079.57
Finished goods	1,281.06	1,278.79
Stock-in-trade	44.61	43.31
	2,319.80	**2,401.67**
Inventories at the beginning of the year		
Work-in-progress	1,079.57	871.04
Finished goods	1,278.79	897.02
Stock-in-trade	43.31	36.80
	2,401.67	**1,804.86**
(Increase) / Decrease in inventories of finished goods, work-in-progress and stock-in-trade	**81.87**	**(596.81)**

24. Employee benefits expense

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	3,632.62	3,379.62
Contribution to provident and other funds	292.27	296.42
Staff welfare expenses	218.70	241.60
	4,143.59	**3,917.64**

25. Finance costs

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on borrowings	161.20	86.96
Interest expense on lease liabilities (refer note 34)	22.69	23.64
Interest expense on income tax	6.85	1.54
Other borrowing costs	2.16	2.09
	192.90	**114.23**

26. Depreciation and amortisation expense

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
- Depreciation on Property, Plant and Equipment (refer note 3)	829.63	918.73
- Depreciation on Right of use assets (refer note 4)	70.85	66.15
- Amortisation of Intangible Assets (refer note 4)	46.64	35.58
	947.12	**1,020.46**

Notes to the consolidated financial statements for the year ended March 31, 2023

27. Other expenses

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Stores and spares consumed	2,059.23	1,758.19
Power and fuel	1,380.69	1,302.06
Job work charges	537.18	530.00
Freight expenses	362.29	369.41
Royalty	463.92	358.36
Rent	19.62	17.45
Rates and taxes	23.00	9.31
Insurance	39.11	36.65
Sub-contracting expenses	304.73	235.19
Repair and maintenance		
-Plant and machinery	185.42	143.54
-Buildings	92.44	94.59
-Others	27.05	28.69
Auditor's remuneration (refer note 28)	5.67	4.87
Directors' fees	12.40	8.70
Provision for doubtful debts and advances (net)	6.56	-
Bad debts and advances written off	0.53	14.05
Corporate social responsibilities expenses (refer note 47)	30.90	29.73
Travelling expenses	65.21	23.92
Legal and professional expenses	71.84	53.02
Miscellaneous expenses	676.12	796.97
	6,363.91	**5,814.70**

28. Payment to auditor*

(excluding goods and service tax, as applicable)

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
As auditor:		
- Audit fee	3.48	3.22
- Limited review	1.45	1.40
- Other services	0.30	0.19
- Reimbursement of expenses	0.46	0.05
	5.69	**4.86**

* Includes payment of Rs. 0.39 million to component auditors.

Notes to the consolidated financial statements for the year ended March 31, 2023

29. Earnings per share (EPS)

	Year ended March 31, 2023	Year ended March 31, 2022
Profit attributable to equity shareholders (Rs. million)	2,938.78	1,635.65
Weighted average number of equity shares (Nos. million)	22.02	22.02
Earning per share		
- Basic (Rs.)	133.43	74.26
- Diluted (Rs.)	133.43	74.26

30. Research and development expenditure

The details of research and development expenditure incurred by the Parent Company and included in the respective account heads are as under:

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Capital expenditure	22.09	12.57
Revenue expenditure	211.05	203.53
	233.14	**216.10**

The details of revenue expenditure incurred on research and development is as under:

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Stores and spares consumed	59.55	66.23
Salaries and wages	117.43	105.97
Contribution to provident and other funds	7.43	8.29
Staff welfare expenses	1.39	1.96
Power and fuel	4.66	4.25
Repair and maintenance		
- Plant and Machinery	14.89	11.20
- Buildings	0.18	0.16
Loss on disposal/sale of property, plant & equipments (net)	0.17	0.06
Travelling expenses	1.27	0.18
Miscellaneous expenses	4.08	5.23
	211.05	**203.53**

Notes to the consolidated financial statements for the year ended March 31, 2023

31. Employee benefits

The group has classified the various employee benefits as under :

i) Defined contribution plans

The group has recognised the following amount in the statement of profit and loss:

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Employers' contribution to Provident fund	176.45	173.81
Employers' contribution to Superannuation fund	29.38	36.44
Employers' contribution to State Insurance fund	28.65	28.11
	234.48	**238.36**

ii) Defined benefit plans - Gratuity

In accordance with Ind AS 19, actuarial valuation of defined benefit plans was done for Gratuity and details of the same are given below :

Rs. million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Amount recognized in statement of Profit & Loss A/c		
Current service cost	79.13	79.86
Past Service Cost	0.61	-
Net Interest cost on defined benefit/ liability	1.10	(1.81)
Total expense recognised in the Statement of Profit and Loss	**80.84**	**78.05**
Actual contribution and benefit payments for the year		
Actual benefit payments	57.16	(60.51)
Actual contributions	30.41	-
	87.57	**(60.51)**
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	1111.86	1127.57
Fair value of plan assets	1162.22	1111.19
Funded status [Surplus / (Deficit)]	50.36	(16.38)
Net asset / (liability) recognised in the Balance Sheet	50.36	(16.38)
Change in defined benefit obligations (DBO) during the year		
Present value of defined benefit obligations at beginning of the year	1127.57	1066.44
Current service cost	79.13	79.86
Interest cost	75.49	67.67
Remeasurement of defined benefit obligations (Actuarial (gains)/losses)		
- Changes in Demographic assumptions	-	9.51
- Changes in Financial assumptions	(66.93)	(34.33)
- Experience Variance	(46.85)	(1.07)
- Past Service Cost	0.61	-
Benefits paid	(57.16)	(60.51)
Present value of DBO at the end of the year	**1111.86**	**1127.57**

Notes to the consolidated financial statements for the year ended March 31, 2023

Rs. million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Change in fair value of plan assets during the year		
Plan assets at beginning of the year	1111.19	1095.04
Expected return on plan assets	74.40	69.49
Contributions	30.41	-
- Acquisition adjustment	-	-
Actuarial gain / (loss)	-	-
Return on Plan assets excluding amount recognised in net interest expenses	3.38	7.17
Benefits paid	(57.16)	(60.51)
Plan assets at the end of the year	**1162.22**	**1111.19**
Actual return on plan assets	**77.78**	**76.66**
Amount recognised in other comprehensive income		
Actuarial (Gains)/ Losses		
- Changes in Demographic assumptions	-	9.51
- Changes in Financial assumptions	(66.93)	(34.33)
- Experience Variance	(46.85)	(1.07)
(Return)/loss on plan assets, excluding amount recognized in net interest expense	(3.39)	(7.17)
	(117.17)	**(33.06)**

Actuarial assumptions for Gratuity	Year ended March 31, 2023	Year ended March 31, 2022
Discount rate	7.35%/7.40%	6.70%
Expected return on plan assets	7.00%	7.00%
Salary escalation	10.00%	10.00%
Attrition	5 %-11%	5 %-10%
Mortality table used	IAL 2012-14	IAL 2012-14

Estimate of the future salary increase is based on factors such as inflation, seniority, promotions, demand and supply in employment market.

Rs. million

Sensitivity Analysis for significant actuarial assumptions		Year ended March 31, 2023		Year ended March 31, 2022	
Particulars		Impact on Liability		Impact on Liability	
		Increase	Decrease	Increase	Decrease
Discount Rate	+100 basis points		85.55		92.80
	-100 basis points	97.63		106.75	
Salary Growth Rate	+100 basis points	94.26		102.32	
	-100 basis points		84.32		90.97
Attrition Rate	+100 basis points		31.47		43.30
	-100 basis points	43.18		60.03	
Mortality Rate	+100 basis points		0.45		0.61
	-100 basis points	0.45		0.62	

Notes to the consolidated financial statements for the year ended March 31, 2023

The sensitivity analysis has been determined based on possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis present above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be co-related.

Risk Factors in actuarial assumptions

Interest Rate Risk: The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Liquidity Risk: This is the risk that the Group is not able to meet the short term gratuity payouts. This may arise due to non availability of enough cash/ cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

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

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

Asset Liability Mismatching or Market Risk: The duration of the liability is longer compared to duration of assets, exposing the Group to market risk for volatilities/ fall in interest rate.

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

Regulatory framework/ Governance / Benefits under the plan:

The gratuity benefit is a post employment benefit. It is calculated at the terminal salary (Basic+VDA) at the time of separation of the employee according to the provisions of Payment of Gratuity Act, 1972. However, there is no restriction on the maximum amount of gratuity payable. The plan assets are managed by independent Board of Trustees, appointed by the Group. The trust is a separate legal entity and is recognized by the Commissioner of Income Tax, under the provisions of Schedule IV the the Income Tax Act, 1961.

The Board of trustees manages the plan assets through Life Insurance Corporation of India, SBI Life Insurance, Bajaj Allianz Life Insurance Group and HDFC Life Insurance Co. Under this policy, the eligible employees are entitled to receive gratuity payments upon their separation in lumpsum after deduction of necessary taxes. The fund managers do not disclose the composition of their portfolio investment, accordingly break-down of plan assets by investment type has not been disclosed.

Asset Liability Matching Strategies

The Group has purchased insurance policy, which is a cash accumulation plan. Interest on the fund balances during the year is accumulated at the interest rate declared by insurance Group at the end of the financial year. Gratuity claims are settled by the insurance Group out of the fund, thus mitigating any liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of the liabilities. Thus, the Group is exposed to movement in interest rate.

Effect of plan on Entity's future cash flows

The Group has purchased insurance policies to provide for payment of gratuity to the employees. The contribution to the funds are made on a quarterly basis based on estimated shortfall in plan assets from liabilities. Expected contribution during the next annual reporting period is Rs. 25.33 million (Rs. 96.21 million). Maturity profile of the defined benefit obligation based on weighted average duration is 10 Years.

The plan assets are managed by independent Board of Trustees through Life Insurance Corporation of India, SBI Life Insurance, Bajaj Allianz Life Insurance Group and HDFC Standard Life Insurance Co. Under this policy, the eligible employees are entitled to receive gratuity payments upon their separation in lumpsum after deduction of necessary taxes. The fund managers do not disclose the composition of their portfolio investment, accordingly break-down of plan assets by investment type has not been disclosed. Estimate of the future salary increase is based on factors such as inflation, seniority, promotions, demand and supply in employment market.

Notes to the consolidated financial statements for the year ended March 31, 2023

iii) Compensated Absences

Rs. millions

	Year ended March 31, 2023	Year ended March 31, 2022
Present value of DBO	420.72	333.14
Funded status [Surplus / (Deficit)]	(420.72)	(333.14)

iv) Provident fund

The Group has an obligation to fund any shortfall in yield of the trust's investments over the rate declared by Government. The rate is determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Group has been higher in earlier years.

32. Related party disclosure

As per Indian Accounting Standard – 24 the Company's related parties and transactions with them are disclosed below :

A. List of related parties:

Key management personnel	Shri Pradeep Dinodia, Chairman
	Shri Hari S. Bhartia, Director
	Smt Meenakshi Dass, Director
	Shri Inderdeep Singh, Director
	Shri Krishnakumar Srinivasan, Managing Director & CEO
	Shri A.K Taneja, Managing Director & Chief Mentor (upto March 31,2022)*
	Shri Luv D. Shriram, Whole Time Director
	Smt. Ferida Chopra, Director
	Shri Alok Ranjan, Director
	Shri Yukio Tanemura, Director (upto April 5, 2022)
	Shri Kaoru Ito, Alternate Director to Shri Yukio Tanemura (upto April 5, 2022)
	Shri Kiyoto Tone, Director (upto May 7, 2021)*
	Shri Sascha Putz, Non Executive director.
	Shri. Shinichi Unno, Independent Director
	Shri Masaaki Yamaguchi, Director (w.e.f. April 6, 2022)
	Shri Yasunori Maekawa, Director (w.e.f. April 6, 2022)
Close members of the family of key management personnel	
Shri Krishnakumar Srinivasan	Smt. Sumati Krishnakumar
Shri A.K Taneja	Smt. Anita Taneja (upto March 31,2022)*
Shri Luv D. Shriram	Smt. Meenakshi Dass
	Shri Kush D. Shriram
	Smt Nandishi Shriram
	Smt. Arati Shriram
Entity over which , Key management personnel and their Close members of the family has significant influence or control	Shriram Veritech Solutions Pvt. Ltd.
	S.R. Dinodia & Co. LLP
	Manisha Commercial Pvt. Ltd

Notes to the consolidated financial statements for the year ended March 31, 2023

	Deepak C. Shriram & Sons HUF
	Sera Com Pvt. Ltd.
	Sarva Commercial Pvt. Ltd.
	Shabnam Commercial Pvt. Ltd.
	Pradeep Dinodia HUF
	Luv Arati and Associates (AOP)
	Deepak Shriram Family Benefit Trust
	NAK Benefit Trust
Post-employment benefit plan entity	Shriram Pistons & Rings Ltd Gratuity Fund Trust
	Shriram Pistons & Rings Ltd Superannuation Fund Trust
	Shriram Pistons & Rings Ltd. Officers' Provident Fund Trust
	Shriram Automotive Products Ltd Group Gratuity Scheme (Up to October 13, 2021)*

* Related party transaction exists in previous year. Not a related party in current year.

B. Related party transactions

(i) Transactions during the year

Rs. millions

Particulars	Entity over which, Key management personnel and their Close members of the family has significant influence or control		Key management personnel (KMP)		Close members of the family of key management personnel		Post-employment benefit plan entity		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Remuneration										
Short-term employees benefit	-	-	118.99	127.09	-	-	-	-	118.99	127.09
Post- employment benefit	-	-	2.48	4.20	-	-	-	-	2.48	4.20
Other long-term employees benefit	-	-		2.43	-	-	-	-	-	2.43
Commission to Directors	-	-	49.78	31.92	-	-	-	-	49.78	31.92
Legal Expenses	1.20	1.20	-	-	-	-	-	-	1.20	1.20
Rent	3.41	5.32	1.44	1.44	0.96	1.44	-	-	5.81	8.20
Interest on deposits	0.44	2.18	2.30	2.88	3.15	2.83	-	-	5.89	7.89
Directors sitting fees	-	-	12.40	8.70		-	-	-	12.40	8.70
Dividend paid	132.39	56.73	11.76	5.04	0.01	0.01	-	-	144.16	61.78
Contribution Paid	-	-	-	-	-	-	90.10	58.09	90.10	58.09
Deposits taken during the year	-	2.50	-	-	-	8.28	-	-	-	10.78
Deposits paid during the year	-	90.00	12.65	-	9.00	1.00	-	-	21.65	91.00
Purchase of material / stores	13.62	12.64	-	-	-	-	-	-	13.62	12.64
Buyback of Equity shares	-	253.35	-	39.67	-	0.08	-	-	-	293.10

Notes to the consolidated financial statements for the year ended March 31, 2023

(ii) Balances due from/to the related parties

Rs. millions

Particulars	Entity over which, Key management personnel and their Close members of the family has significant influence or control		Key management personnel (KMP)		Close members of the family of key management personnel		Post-employment defined benefit plan entity		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Deposits accepted	4.50	4.50	15.81	28.45	23.78	32.78		-	44.09	65.73
Interest accrued but not due	0.82	0.38	3.94	4.13	3.67	2.19		-	8.43	6.70
Amount payable/(recoverable)	0.16	0.09	114.07	80.33		-	(36.74)	30.71	77.49	111.13

Note : i) The deposit from related parties have been accepted on same rate of interest as applicable for other unrelated parties.

ii) The amount outstanding from related parties are unsecured and will be settled in cash.

iii) No guarantees have been given or received in respect of related parties.

iv) The purpose of this loan to subsidiary is to meet the funding requirements for future business opportunities in the areas related to the automotive segment.

33. Information pursuant to clause 3 (vii) (b) of the Companies (Auditor's Report) order, 2020 in respect of disputed dues, not deposited as at March 31, 2023, pending with various authorities:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates (various years covering the period)	Amount Involved* (Rs. Million)	Amount Unpaid (Rs. Million)	Amount Paid (Rs. Million)
Income Tax Act, 1961	Income tax	Appellate authority up to Commissioners' level	2003-04, 2004-05, 2015-16, 2016-17, 2017-18, 2018-19 & 2020-21	63.75	0.00	63.75
Central Excise Act, 1944	Excise Duty	Custom, Excise & Service Tax Appellate Tribunal (CESTAT)	2013-14, 2014-15, 2015-16, 2016-17, 2017-18	9.54	9.33	0.21
Finance Act, 1994	Service Tax	Custom, Excise & Service Tax Appellate Tribunal (CESTAT)	2012-13, 2013-14, 2014-15, 2015-16	18.77	18.26	0.51
Central Sales Tax Act, 1956	Sales Tax	Appellate Tribunal	2012-13, 2015-16	1.60	1.19	0.41
Sales Tax Laws	Sales Tax / Value Added Tax/ Entry Tax	Appellate authority up to Commissioners' level	2007-08, 2008-09, 2016-17, 2017-18	51.34	42.93	8.41
		Appellate Tribunal	2010-11, 2011-12, 2012-13, 2015-16	35.52	21.15	14.37
Goods & Service Tax Act 2017	Goods & Services Tax	Appellate authority up to Commissioners' level	2017-18, 2018-19	0.11	0.11	0.00

* amount as per demand orders including interest and penalty wherever quantified in the order.

Notes to the consolidated financial statements for the year ended March 31, 2023

34. Leases :

The Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate/implicit interest rate and the Right of Use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate/implicit interest rate at the date of initial application.

The changes in the carrying value of right of use assets for the year ended March 31, 2023 are as follows:

Rs. millions

Particulars	Right of Use Asset		
	Land	Buildings	Motor Car
Balance as of April 1, 2021	416.81	224.70	-
Additions	259.74	53.56	-
Amortisation of Right of use Asset	(6.36)	(59.98)	-
Balance as of March 31, 2022	**670.29**	**218.38**	-
Balance as of April 1, 2022	670.29	218.38	-
Additions	24.70	95.71	34.38
Amortisation of Right of use Asset	(9.46)	(60.92)	(1.46)
Balance as of March 31, 2023	**685.53**	**253.17**	**32.92**

The break-up of current and non-current lease liabilities as of March 31, 2023 is as follows:

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Current	66.44	56.44
Non-current	276.44	193.44
Total	**342.88**	**249.88**

The movement in lease liabilities during the year ended March 31, 2023 is as follows:

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning	249.88	249.14
Additions	153.13	53.56
Finance cost accrued during the period	23.25	23.64
Payment of lease liabilities	(83.38)	(76.46)
Balance at the end	**342.88**	**249.88**

The details of contractual maturities of lease liabilities on an undiscounted basis:

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Less than one year	88.96	76.59
One to five years	248.86	189.18
More than five years	276.88	47.84
Total	**614.70**	**313.61**

The Group does not face a significant liquidity risk with regard to its lease liabilities to meet the obligations related to lease liabilities as and when they fall due.

Notes to the consolidated financial statements for the year ended March 31, 2023

35. Segment reporting

The Group is engaged in a single segment i.e. the business of "automotive components" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the Group's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

Geographical information in respect of sale of products from customers is given below:

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Domestic Sale	20,800.81	16,224.31
Export Sale	4,841.37	4,009.67
	25,642.18	**20,233.98**

During financial year ended March 31, 2023, one customer amounts to Rs. 2756.34 Million (previous year no customer) represents 10% or more of the Group' revenue from operations.

36. Micro, Small and Medium enterprises as defined under the MSMED Act

The status of vendors under Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is based on certificate submitted by vendors about their coverage under the provisions of MSMED Act, 2006.

Rs. million

	Year ended March 31, 2023	Year ended March 31, 2022
Amount remaining unpaid to suppliers under MSMED as at the end of year		
- Principal amount*	138.86	101.87
- Interest due thereon	-	-
Amount of payments made to suppliers beyond the appointed day during the year		
- Principal amount	2.66	25.58
- Interest actually paid under section 16 of MSMED	-	-
Amount of interest due and payable for delay in payment (which has been paid but beyond the appointed day during the year) but without adding interest under MSMED		
Interest accrued and remaining unpaid at the end of the year		
- Interest accrued during the year	0.47	0.08
- Interest remaining unpaid as at the end of the year	0.59	0.26
Interest remaining disallowable as deductible expenditure under the Income-tax Act, 1961	0.47	0.08

*Includes capital creditors Rs. Nil Millions (previous year Rs. 1.66 Millions) and Security deposits of Rs. 9.91 million (previous year Rs. 11.37 million)

Notes to the consolidated financial statements for the year ended March 31, 2023

37. Contingent liabilities

Rs. million

		As at March 31, 2023	As at March 31, 2022
i)	Disputed		
	- Sales tax	88.46	2841.46
	- Service tax	18.77	18.64
	- Excise Duty	9.54	-
	- Goods & Services Tax	0.11	-
	- Income tax	1.43	1.43
	- Employees' State Insurance	28.83	28.83
	- Interim Relief to Workers	8.09	8.09

All the above matters pertains to Parent Company and are subject to legal proceedings in the ordinary course of business. In the opinion of the management, the legal proceedings, when ultimately concluded, will not have a material effect on operations or the financial position of the Group.

* The contingent liability has reduced on account of setting aside the demand by Appellate Authorities in stock transfer matters (Rs. 2126.60 millions) and on account of partial relief/ remand back in VAT matters (Rs. 559.50 millions) with directions to Assessing Officer for fresh assessment. The Group has precedent of favourable orders on similar matters. The Group is of the view that as there is no demand against such orders passed by Assessing Officer, hence, contingent liability against these matters cease to exist as on 31.03.2023.

ii)	Bills discounted from banks	31.02	23.90
iii)	Claims not acknowledged as debts	262.94	243.07

38. Commitments

Rs. million

		As at March 31, 2023	As at March 31, 2022
i)	Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	199.00	161.54

ii) Outstanding export obligation required to be fulfilled under the EPCG scheme against import of some machines/ capital equipments is as under:

a) average export obligation of Rs. 1927.01 million every year (previous year Rs. 1750.23 million every year) to be fulfilled till the time specific export obligation is discharged and

b) specific export obligation of Rs. 21.80 million (previous year Rs. 109.20 million) to be fulfilled over a period of maximum up to 5 years. Customs duty saved against outstanding export obligation is Rs. 3.34 million (previous year Rs. 17.23 million).

iii) The Group has other commitments, for purchase / sales orders which are issued after considering requirements as per operating cycle for purchase / sale of goods, employee benefits including union agreements in normal course of business. The Group does not have any other long term commitments or material non-cancellable contractual commitments, which may have a material impact on the financial statements.

Notes to the consolidated financial statements for the year ended March 31, 2023

39. Investment in Subsidiary

i) The Parent Company has made investment in equity shares of following subsidiary (intermediary) for further investment in equity shares of ultimate beneficiary.

Rs. million

Name of the intermediary	Date of investment into intermediary	Amount of investment in intermediary	Name of the ultimate beneficiary	Date of investment by intermediary into ultimate beneficiary	Amount of investment by intermediary into ultimate beneficiary
SPR Engenious Ltd.	November 23, 2022	299.50	EMF Innovations Pvt. Ltd.	January 11, 2023	780.03*
	December 30, 2022	480.53			

*Includes Rs. 55.0 Millions to be paid as per the terms of the Share Purchase Subscription Agreement.

ii) SPR Engenious Limited (SEL) has received funds from Parent Company (funding party) with the understanding that the SEL shall invest in equity shares of ultimate beneficiary identified by the Parent Company, as detailed below :

Rs. million

Name of the funding party	Date of receipt of funds from funding party	Amount funded by funding party	Name of ultimate beneficiary	Date of investment into ultimate beneficiary	Amount invested in ultimate beneficiary
Shriram Pistons & Rings Ltd.	November 23, 2022	299.50	EMF Innovations Pvt. Ltd.	January 11, 2023	780.03*
	December 30, 2022	480.53			

*Includes Rs. 55.0 Millions to be paid as per the terms of the Share Purchase Subscription Agreement.

With regard to the above investments made during the year ended March 31, 2023, the Group has complied with the relevant provisions of the applicable laws.

iii) No fund has been received by the Parent Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

40. Fair Value Measurement

i) The carrying value and fair value of financial instruments by categories as of March 31, 2023 are as under:

Rs. million

Particulars	Financial assets/ (financial liabilities) at fair value through profit or loss (FVTPL)	Total carrying value	Total fair value
Financial assets/(financial liabilities)			
Investment in mutual fund	674.97	674.97	674.97
Investments in other equity instruments	48.00	48.00	48.00
Derivatives instruments*			
- Cross Currency Swap	23.41	23.41	23.41
- Forward contracts	1.96	1.96	1.96
Total	**748.34**	**748.34**	**748.34**

Notes to the consolidated financial statements for the year ended March 31, 2023

The carrying value and fair value of financial instruments by categories as of March 31, 2022 are as under:

Rs. million

Particulars	Financial assets/ (financial liabilities) at fair value through profit or loss (FVTPL)	Total carrying value	Total fair value
Financial assets/(financial liabilities)			
Investment in mutual fund	271.75	271.75	271.75
Investments in other equity instruments	48.00	48.00	48.00
Derivatives instruments*			
- Forward contracts	(12.18)	(12.18)	(12.18)
Total	**307.57**	**307.57**	**307.57**

*Change in fair value is recognised in other comprehensive income.

ii) Fair value hierarchy

The Group uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3.

Level 1 - This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - This level includes financial assets and liabilities, measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2023

Rs. million

Particulars	As at March 31, 2023	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Financial assets/(liabilities)				
Investment in mutual fund	674.97		674.97	-
Investments in other equity instruments	48.00		-	48.00
Derivatives instruments				
- Cross Currency Swap	23.41		23.41	-
- Forward contracts	1.96		1.96	-
Total	**748.34**	**-**	**700.34**	**48.00**

There is no transfer between the fair value measurement hierarchy amongst level 1, level 2 and level 3 during the year.

Notes to the consolidated financial statements for the year ended March 31, 2023

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2022

Rs. million

Particulars	As at March 31, 2022	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
Financial assets/(liabilities)				
Investment in mutual fund	271.75		271.75	
Investments in other equity instruments	48.00		-	48.00
Derivative Instruments - forward contracts	(12.18)		(12.18)	
Total	**307.57**	**-**	**259.57**	**48.00**

There is no transfer between the fair value measurement hierarchy amongst level 1, level 2 and level 3 during the year.

iii) Financial assets and financial liabilities that are measured at amortised cost are :

Rs. million

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Trade and other receivables	3,965.90	3,965.90	3,545.64	3,545.64
Cash and cash equivalent	305.15	305.15	195.22	195.22
Other bank balances	6,163.77	6,163.77	3,302.48	3,302.48
Security deposit	199.23	199.23	178.40	178.40
Bank deposit	721.52	721.52	79.63	79.63
Interest accrued on bank deposit	192.20	192.20	69.03	69.03
Margin money	50.45	50.45	0.73	0.73
Financial liabilities				
Borrowings	2,988.66	2,988.66	1,318.08	1,318.08
Interest accrued but not due on borrowings	60.62	60.62	56.41	56.41
Trade payables	3,455.59	3,455.59	3,059.03	3,059.03
Lease Liabilities	342.88	342.88	249.88	249.88
Unclaimed dividends	0.53	0.53	0.66	0.66
Unclaimed matured deposits and interest accrued thereon	5.11	5.11	13.00	13.00
Capital creditors	154.55	154.55	167.02	167.02

The carrying value of above financial assets and financial liabilities approximate its fair value.

41. Capital management

The Group's objective for managing capital is to ensure as under:

i) Ensure the Group's ability to continue as a going concern

ii) Maintain a strong credit rating and debt equity ratio in order to support business and maximize the shareholders' value.

iii) Maintain an optimal capital structure.

iv) Compliance of financial covenants under the borrowing facilities.

For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Group.

The Group manages its capital structure keeping in view of:

i) Compliance of financial covenants under the borrowing facilities

ii) Changes in economic conditions

In order to achieve this overall objective of capital management, amongst other things, the Group aims to ensure that it meets financial covenants attached to the borrowings facilities defining capital structure requirements, where breach in meeting the financial covenants may permit the lender to call the borrowings.

There have been no breach in the financial covenants of any borrowing facility in the current period. There is no change in the objectives, policies or processes for managing capital over previous year. To maintain the capital structure, the Group may vary the dividend payment to shareholders.

42. Financial risk management

The Group's principal financial liabilities, other than derivatives, comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that it derives directly from its operations. The Group also holds FVTPL current investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks under appropriate policies and procedures.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL current investments and derivative financial instruments.

a) Foreign exchange risk

The Group is exposed to foreign exchange risk through its sales and purchases from overseas in foreign currencies mainly in USD, EURO and JPY. The Group holds derivative financial instruments such as foreign exchange forward and contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Group's operations may be adversely affected as the rupee appreciates/ depreciates against these currencies.

Each percentage point change in the foreign exchange rates has an impact of 0.84% (previous year : 0.84%) on Group's operating margins.

The Group's foreign currency risk from financial instruments are as under

(Foreign currency million)

Particulars	Currency	As at March 31, 2023			As at March 31, 2022		
		Total	Hedged	Net	Total	Hedged	Net
Trade and other receivables	USD	8.16	3.70	4.46	7.47	3.82	3.65
	EUR	4.58	2.62	1.96	3.63	0.09	3.54
	JPY	24.85	-	24.85	16.69	-	16.69
	GBP	0.02	0.02	-	0.10	-	0.10

Notes to the consolidated financial statements for the year ended March 31, 2023

(Foreign currency million)

Particulars	Currency	As at March 31, 2023			As at March 31, 2022		
		Total	Hedged	Net	Total	Hedged	Net
Trade payables	USD	1.22	0.06	1.16	0.37	-	0.37
	EUR	0.24	-	0.24	0.09	-	0.09
	JPY	282.20	133.20	149.00	298.35	298.35	(0.00)
Capital creditors	JPY	145.68	145.68	-	155.77	145.68	10.09
Borrowings	USD	7.59	7.59	-	-	-	-
	SGD	1.41	-	1.41	-	-	-

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the Group enters into cross currency interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

The Group is not exposed to any significant /material interest rate risk.

ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Credit risk is managed by Group's established policy, procedures and control relating to customer credit risk management.

Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. The Group uses expected credit loss model to assess the impairment loss and makes an allowance for doubtful debts using expected credit loss model on case to case basis.

Movement in the expected credit loss allowance of financial assets

Rs. million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance at beginning of the year	48.23	63.53
Add: Acquisition adjustment	0.13	-
Add: Provided during the year	6.56	-
Less: Reversal of provision	-	(15.30)
Less: Amount written off	-	-
Balance at the end of the year	**54.92**	**48.23**

iii) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans. Liquidity risk is managed by Group's established policy & procedures made under liquidity risk management framework. The Group manages liquidity risk by maintaining adequate reserves, banking facilities, and reserve borrowing facilites, by continuously forecast and actual cash flows, and by matching the maturity profile of financial assets and liabilities.

Notes to the consolidated financial statements for the year ended March 31, 2023

The financial assets and liabilities have been appropriately disclosed in financial statements as current and non current portion. The maturity period of non current financial assets and financial liabilities ranges between 1 to 6 years except lease liabilities where period may vary as per respective lease agreements.

43. Hedge Accounting

i) Forwards Contracts

The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place.

Details of Forward Foreign Currency Contracts outstanding at the end of reporting period are as under:

(Foreign currency million)

Outstanding Contracts	Currency	As at March 31, 2023	As at March 31, 2022
Maturing not later than one month	USD	3.76	2.00
	EUR	1.37	0.09
	JPY	33.20	156.91
	GBP	0.10	0.00
Maturing later than one month and not later than three months	USD	0.00	1.82
	EUR	1.25	0.00
	JPY	100.00	345.29
Maturing later than three month and not later than one year	JPY	145.68	195.68

The Group has designated foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The related hedge transactions for balance lying in cash flow hedging reserve are expected to occur and reclassified in the statement of profit or loss within 6 months.

Hedge effectiveness is determined at the inception of the hedge relationship. To ensure that an economic relationship exists between the hedged item and hedging instrument, the Group matches the critical terms of the hedged items and hedging instruments.

ii) Reconciliation of cash flow hedge reserve are as under:

Rs. million

Particulars	As at March 31, 2023	As at March 31, 2022
Assets /(liability)		
Balance at the beginning of the year	(10.05)	(0.30)
Gain / (Loss) recognised in other comprehensive income during the year	13.87	(13.03)
Tax impact on above	(3.49)	3.28
Balance at the end of the year	**0.33**	**(10.05)**

44. The Group does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.

45. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund (IEPF) by the Group during the year.

Notes to the consolidated financial statements for the year ended March 31, 2023

46. Business Combinations

The Parent Company has invested Rs. 1,200 million in SPR Engenious Limited (SEL), its wholly owned subsidiary (WOS) which was incorporated on September 26, 2022 with the Registrar of Companies (Delhi & Haryana) with the purpose of diversifying its product portfolio in the areas related to the automotive segment. On January 11, 2023, SEL acquired 51% of share capital of EMFI Innovations Private Limited (EMFI) for a cash consideration of Rs. 780.03 million, thereby obtaining control of EMFI. EMFI is into electric vehicle drive train components such as Electric Motors and Motor Controllers for the Electric Vehicles & other applications, fits into Group's strategy of inorganic growth and qualifies as a business as defined in IND AS 103. The amounts recognised in respect of the identifiable assets acquired and liabilities assumed by SEL on acquisition date are as set out in the table below:

Particulars				Amount Rs. million
1.	**Consideration paid**			
	Consideration paid by SEL			780.03
	Total consideration (1)			**780.03**
2.	**Fair value of identifiable assets and liabilities recognised**			
	(i)	Assets		
		a)	Property, plant and equipment	42.77
		b)	Right of use assets	31.44
		c)	Intangible assets	69.08
		d)	Other non current financial assets	1.29
		e)	Other non-current assets	2.59
		f)	Inventories	74.88
		g)	Other current financial assets	270.35
		h)	Current tax assets (net)	0.16
		i)	Other current assets	39.88
	Total assets acquired (i)			**532.45**
	(ii)	Liabilities		
		a)	Financial liabilities	179.52
		b)	Other non current liabilities	3.98
		c)	Other Current Liabilities	70.34
	Total liabilities acquired (ii)			**253.84**
3.	Net assets acquired (i-ii)			278.61
4.	Non Controlling interest (49% of 3)			136.52
5.	Parent Company's share of fair value of net assets acquired (3-4)			142.09
6.	Consideration paid in excess of fair value of net assets acquired (1-5)			637.94
7.	Fair value assessment of Technology acquired (Rs. 231.20 Million) and Non Compete acquired (Rs. 90.84 Million)			322.04
8.	**Balance considered as goodwill (6-7)**			**315.90**

The non-controlling interest (49% ownership interest in EMFI) recognised at the acquisition date was measured by reference to the fair value of the non-controlling interest and amounted to Rs. 136.52 million. This fair value was estimated using following key model inputs:

i) Assumed discount rate of 22.2%

ii) Assumed long-term sustainable growth rates of 2%

Notes to the consolidated financial statements for the year ended March 31, 2023

iii) Assumed adjustments because of the lack of control or lack of marketability that market participants would consider when estimating the fair value of the non-controlling interests in EMFI.

EMFI has contributed Rs.45.37 million to Group's revenue from operation and Rs. 8.57 million to the Group's profit for the period between the date of acquisition and the reporting date.

47. Expenditure on corporate social responsibility (CSR)

Rs. million

Particulars		Year ended March 31, 2023	Year ended March 31, 2022
(i)	amount required to be spent by the Company during the year,	30.90	29.86
(ii)	amount of expenditure incurred,	30.90**	29.86*
(iii)	shortfall at the end of the year,	-	-
(iv)	total of previous years shortfall,	-	-
(v)	reason for shortfall,	NA	NA
(vi)	details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard,	NA	NA

*Includes Rs. 9.08 million on "ongoing Projects" transferred to "Unspent CSR account" on April 29, 2022 and Rs. 0.14 million towards excess amount incurred in year ending March 31, 2021.

** Includes Rs. 2.09 million on "ongoing Projects" transferred to "Unspent CSR account" on April 28,2023.

(vii) The Company take up CSR projects/programmes/activities in the following areas

(a) Education

(b) Health Care

(c) Sanitation

(d) Environment preservation

(e) Any other areas as approved by the CSR Committee/Board

The movement in the provision is as under:

Rs. million

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance of unspent CSR A/c	16.18	10.26
Add: Addition during the year	2.09	9.08
Less: Utilisation during the year	10.23	3.16
Closing balance of unspent CSR A/c	8.04	16.18

Notes to the consolidated financial statements for the year ended March 31, 2023

48. Additional regulatory information

Particulars	Unit	Numerator	Denominator	Year ended March 31, 2023	Year ended March 31, 2022
Current ratio	Times	Total current assets	Total current liabilities	2.51	2.31
Debt-Equity ratio	Times	Debt consist of borrowings	Total Equity	0.19	0.11
Debt service coverage ratio	Times	Earnings for Debt service= Net profit after tax + depreciation + interest	Debt service = Interest and lease payments+ Principal repayments	20.52	24.25
Return on equity ratio*	%	Profit for the year	Average total equity	21.02	13.61
Inventory turnover ratio	Times	Cost of Goods sold	Average inventory	5.61	4.99
Trade receivables turnover ratio	Times	Sales of products	Average trade receivables	6.83	5.97
Trade payables turnover ratio	Times	Cost of material + employee benefit expense+ other expenses	Average trade payable	6.60	5.92
Net capital turnover ratio	Times	Sales of products	Average working capital (i.e Total current assets less Total current liabilities)	3.36	3.66
Net profit ratio*	%	Profit for the year	Sales of products	11.46	8.08
Return on capital employed*	%	Profit before tax and finance cost	Capital employed = Net worth + Debt	21.99	16.41
Return on investment.**	%	Income generated from invested funds	Average invested funds in treasury investment	6.81	3.81

* The variation is more than 25% over last year due to improvement in revenue/cost optimisation resulting into improved profit

** The variation is more than 25% over last year on account of improved yield on the treasury investments and change of mix for investment in treasury instruments.

*** Due to term loan borrowings taken by Group during the year.

49. During the year ended 31st March 2022, the Parent Company has concluded the buyback of 3,50,000 equity shares (at a price of Rs. 1020/- per equity share) as approved by the Board of Directors on July 30, 2021. This has resulted in a total cash outflow of Rs. 449.7 Million (including tax on buyback of Rs. 82.4 Million & transaction cost of Rs. 10.3 Million). In line with the requirement of the Companies Act 2013, an amount of Rs. 446.2 Million has been utilized from retained earnings. Further, capital redemption reserve of Rs. 3.5 Million (representing the nominal value of the shares bought back) has been created as an apportionment from General reserve. Consequent to such buyback, the paid-up equity share capital has reduced by Rs. 3.5 Million.

50. SPR International Auto Exports Limited ("Subsidiary Company") was incorporated in 2005 and has not commenced any operations since then. Board of Directors of Subsidiary Company in their meeting held on April 05 , 2022 and its shareholders in Annual General Meeting held on June 28, 2022 decided to make an application to the Registrar of Companies, under Section 248 (2) of the Companies Act, 2013 read with Rule 4, 5, 6 and 8 of the Companies (Removal of Names of Companies from the Register of Companies) Rules, 2016, for removing the name of the Company from Register of Companies. The application for removal of the name of the Subsidiary Company was submitted on September 13, 2022. The name of subsidiary company has been struck off from the Register of Companies on March 7, 2023 by the Registrar of Companies (Delhi & Haryana) and with this, the said company is dissolved.

Notes to the consolidated financial statements for the year ended March 31, 2023

51. The Parent Company has invested Rs. 1,200.0 millions in SPR Engenious Limited (SEL), its wholly owned subsidiary (WOS), which has been incorporated on September 26, 2022 with the Registrar of Companies (Delhi & Haryana) with the purpose of diversifying its product portfolio in the areas related to the automotive segment.On 11th January 2023, SEL has acquired 51% shareholding in EMF Innovations Private Limited ("EMFI"), for a total consideration of INR 780.0 million.

52. The Board of directors of the company in its meeting held on February 08,2023 has approved acquisition of majority stake of 75% in Tahakata Precision India Pvt Ltd. (TPIL) through SPR Engenious Limited (SEL), its wholly owned subsidiary. Takahata Precision Co. Ltd., Japan is the ultimate parent of TPIL and specialist in design and manufacturing of precision injection moulded components having a variety of functional products for automotive applications. The definitive agreements in connection with the proposed acquisition transaction has been executed on February 09,2023.

53. The Group has no transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

54. Interests in other entities

The group's subsidiaries at 31 March 2023 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Place of business / Country of incorporation	Ownership interest held by the group	Ownership interest held non-controlling interests
SPR Engenious Limited	India	100%	-
EMF Innovations Private Limited	India	51%	49%

The Group is engaged in a single segment i.e. the business of "automotive components"

Notes to the consolidated financial statements for the year ended March 31, 2023

55. Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 is given below:

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Rs. Million	As % of consolidated profit or loss	Rs. Million	As % of consolidated profit or loss	Rs. Million	As % of consolidated profit or loss	Rs. Million
Parent								
Shriram Pistons & Rings Limited	91.22	15,295.53	100.19	2,955.06	100.00	98.06	100.19	3,053.12
Subsidiary								
SPR Engenious Limited	7.07	1,185.78	(0.48)	(14.22)	-	-	(0.47)	(14.22)
Stepdown Subsidiary								
EMF Innovations Private Limited	1.71	287.18	0.29	8.57	-	-	0.28	8.57
Sub total	**100.00**	**16,768.49**	**100.00**	**2,949.41**	**100.00**	**98.06**	**100.00**	**3,047.47**
Adjustment arising out of consolidation		(1,353.21)		(10.63)		-		(10.63)
Total		**15,415.28**		**2,938.78**		**98.06**		**3,036.84**

56. Figures in brackets denote previous year figures.

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Prem Prakash Rathi
Chief Financial Officer

Pankaj Gupta
Company Secretary

Place: New Delhi
Date : May 08, 2023

SEL
SPR Engenious Ltd

ABOUT **SPR ENGENIOUS LIMITED "SEL"**

SPR Engenious Limited "SEL" is the wholly owned subsidiary of Shriram Pistons & Rings Limited "SPRL", one of India's most recognised auto component manufacturing company. Through SEL, the company has mark its foray into the EV Mobility space by acquiring majority stake in EMF Innovations Private Limited "EMFI", a Singapore backed electric motor design and manufacturing Company. SPRL aims to expand its presence in electric vehicle (EV) space to supply Electric Powertrain Components such as Motor & Controller covering all the vehicle segments from Two Wheelers, Three Wheelers, Passenger Vehicles, Commercial Vehicles and Buses. This alliance will also offer potential for SPRL (through SEL) and EMFI to collaborate and partner to serve customers globally.

Source: **Economic Times**

Shriram Pistons to acquire majority stake in EMF Innovations to foray into EV space

Auto component maker Shriram Pistons & Rings on Friday said its unit will acquire a majority stake in electric motor design and manufacturing firm EMF Innovations to foray into the electric vehicle mobility space. **SPR Engenious Ltd (SEL), a wholly-owned subsidiary of the company, is slated to acquire the stake.** The financial details of the deal were not disclosed.

Source: **Business Standard**

Shriram Pistons to acquire majority stake in EMFi to foray into EV space

Auto component maker Shriram Pistons & Rings on Friday said its unit will acquire a majority stake in electric motor design and manufacturing firm EMF Innovations to foray into the electric vehicle mobility space. **SPR Engenious Ltd (SEL), a wholly-owned subsidiary of the company, is slated to acquire the stake.** The financial details of the deal were not disclosed.

Source: **Times of India**

Shriram Pistons & Rings to acquire Singapore-based EMF Innovations

Auto component company Shriram Pistons & Rings Limited (SPRL) has announced the acquisition of a majority stake in EMF Innovations (EMFI), a Singapore-based electric motor design and manufacturing company. **The acquisition will be done through its wholly-owned subsidiary, SPR Engenious Limited (SEL).** This will mark SPRL's foray into the EV mobility space. The company did not disclose the deal size.

Source: **Hindu Business Line**

EV foray. Shriram Pistons to acquire majority stake in Singapore's EMF Innovations

Shriram Pistons & Rings Limited (SPRL) will acquire a majority stake in Singapore-backed electric motor design and manufacturing company, EMF Innovations Private Limited (EMFI).

The acquisition will be done through the company's wholly-owned subsidiary, SPR Engenious Limited (SEL). This will mark its foray into the EV mobility space.

Source: **Manufacturing Today**

Shriram Pistons & Rings Limited to acquire majority stake in EMF Innovations

Shriram Pistons and Rings Limited **one of India's auto component manufacturers have announced to a acquire majority stake in EMF Innovations Private Limited, a Singapore-backed electric motor design and manufacturing company through its wholly owned subsidiary, SPR Engenious Limited ("SEL").** This will mark its foray into the EV Mobility space.

ABOUT **EMF INNOVATIONS**

EMFI is a young Technology company co-founded by engineering entrepreneurs with substantial R&D and operations in India and Singapore thereby providing localized cost effective e-mobility solutions to customers in India and abroad. EMFI has been leveraging on it's strong power electronics & motors research base and extensive semi-automated manufacturing eco-system to deliver reliable EV Motors and Controllers for green mobility solutions and various other applications.

Core Competencies: Electric Motor & Controller Design & Manufacturing

Frugal Engineering Practices, in design, development and Mass Production of Electric Manufacturing is the core of EMFi.

EMFI has been in this market for over 4 years now and have designed & developed products to meet the local demands and to ensure cost competitive solutions.

Hub Motor

Mid-Mount Motor

Controller

Electric Motor & Controller range with SPR Engenious Ltd.

ELECTRIC MOTOR & CONTROLLER RANGE : 250W ~ 250KW

TYPE OF MOTORS

- **HUB Motors**
- **Mid Drive Motors**

TECHNOLOGIES

- **BLDC-** Brushless Direct Current Motor
- **PMSM-** Permanent Magnet Synchronous Motors
- **IPM-** Interior Permanent Magnet Motor
- **SRM-** Switch Reluctance Motors

APPLICATIONS

- **E-Bike (e-cycle)**
- **2 Wheeler**
- **3 Wheeler**
  - **Passenger**
  - **Cargo**
- **4W**
  - **Passenger Vehicles**
  - **Light Commercial Vehicle**
  - **Medium Commercial Vehicle**
- **Commercial Vehicles**
  - **Electric Bus**
  - **Electric Trucks**
- **Brake Motors**
- **Pump Motors**
- **Compressor Motors**

COMING SOON

- **Boat Motor**
- **Drone Motor**
- **Axial Flux Motor**

E-Bike	Two Wheeler	3 W / Pass / LCV	Cargo 3 Wheeler	Passenger car	Cargo vehicle	Bus platform	Medium & Heavy trucks
250 - 350 w	2 - 10 kw	4 - 18 kw	5 - 15 kw	15 - 60 kw	15 - 45 kw	60 - 120 kw	150 - 250 kw

SHRIRAM®

1 Values & Ethics

2 Operational Efficiency

3 Stakeholder Safety, Health & Well-being

4 Data Security & System Reliability

5 Digitization

6 Stakeholder Engagement & Management

7 Digital Skills & Human Capital Development

8 Human-Centered Transformation

ESG **GOALS**

Our governance practices prioritize transparency, accountability, and responsible leadership. By prioritizing ESG principles, we aim to create long-term value for our stakeholders and contribute positively to society and the planet.

ENGINEERED TO **PERFECTION !**

AUTO COMPONENTS FOR THE WORLD

USHA®
PISTONS PINS RINGS
ENGINE VALVES

SHRIRAM®

SPR®
AUTO COMPONENTS
& ASSEMBLIES

SHRIRAM PISTONS & RINGS LTD.

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CIN: L29112DL1963PLC004084 PAN: AAACS0229G

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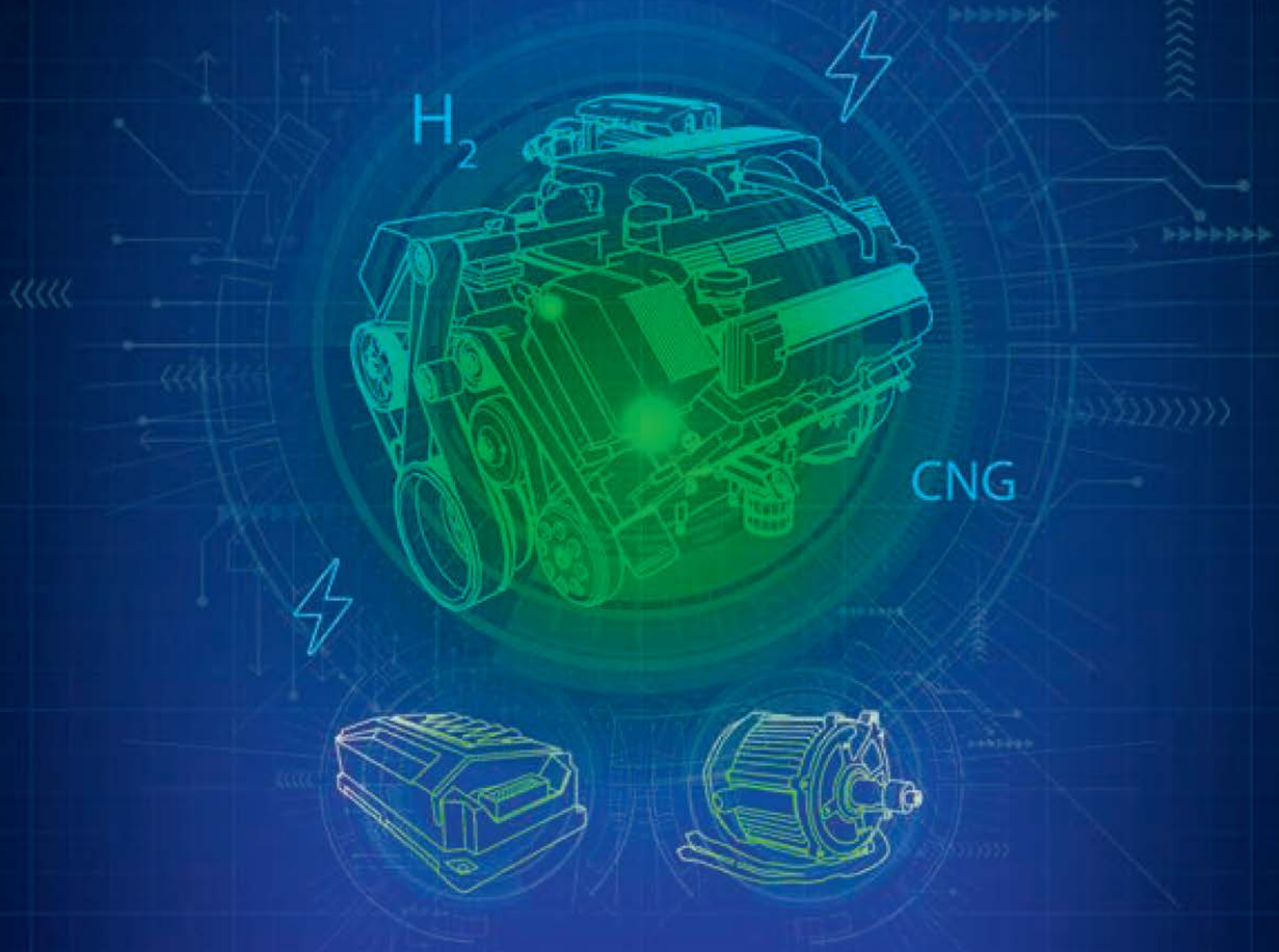
SHRIRAM®

SHRIRAM PISTONS & RINGS LTD.

60TH ANNUAL REPORT
2023-24



INNOVATIONS FOR A SUSTAINABLE FUTURE

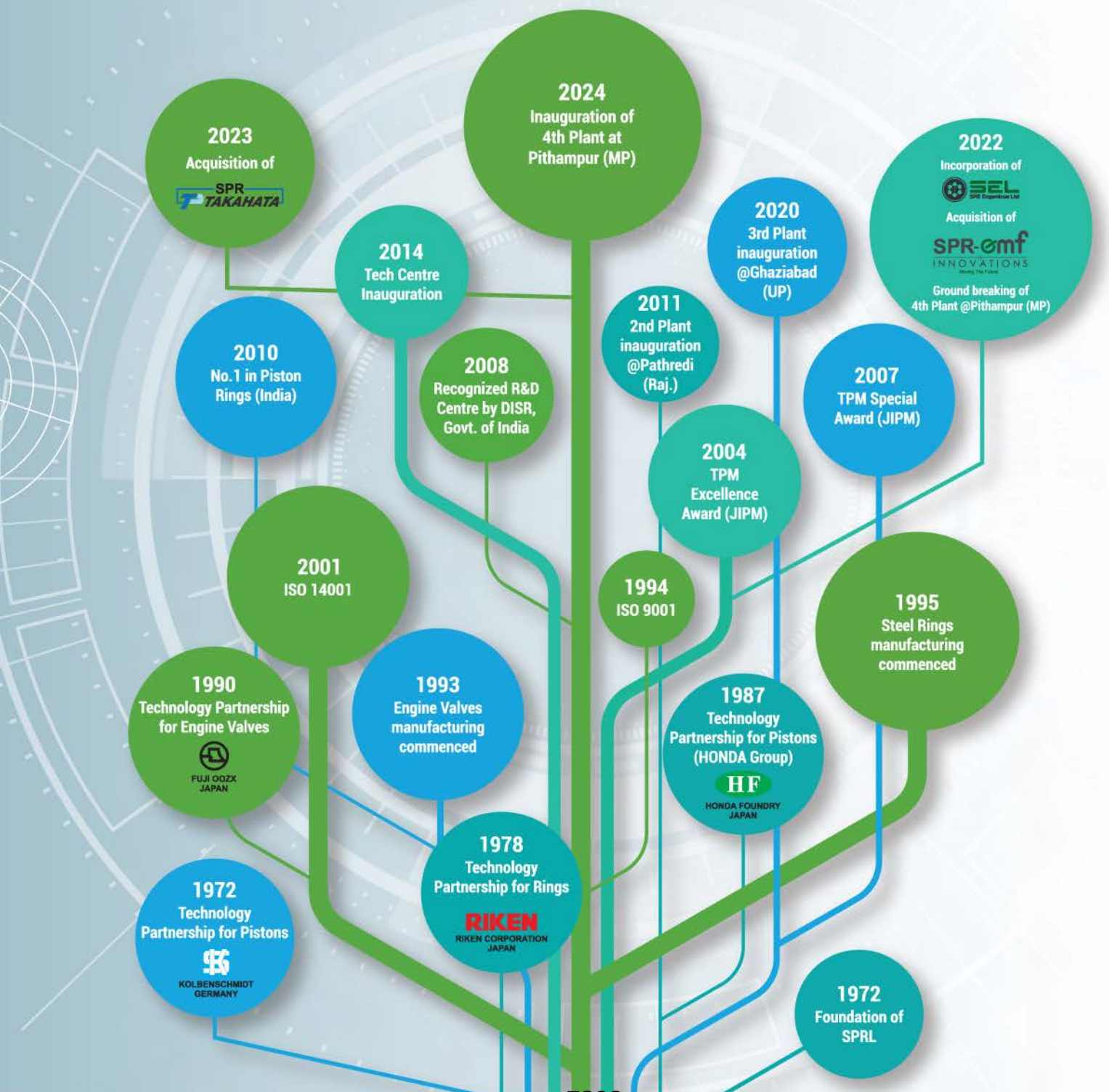
About SPRL

India's Largest Manufacturer of Pistons, Rings & EV

Strong global presence

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

Strong Technological capabilities



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Vision & Mission

World Class Company, the preferred choice of Global Automotive Customers

Committed to all stakeholders

Environmentally sustainable

Culture at SPRL - 6P Principles

SHRIRAM®

SHRIRAM PISTONS & RINGS LTD.

Cheers to 50 Years of Excellence!

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

Ashok Leyland Ltd.

Escorts Kubota India Pvt. Ltd.

Hero MotoCorp Ltd.

Hyundai Motors India Ltd.

International Tractors Ltd.

Simpson & Co. Ltd.

Tata Motors Ltd.

TECHNOLOGY PARTNERS

Kolbenschmidt GMBH, Germany

Bajaj Auto Ltd.

Cummins India Ltd.

Daimler India Commercial Vehicles Pvt. Ltd.

Honda Cars India Ltd.

Honda India Power Products Ltd.

Honda Motorcycle & Scooter India Pvt. Ltd.

Kirloskar Oil Engines Ltd.

Mahindra & Mahindra Ltd.

Maruti Suzuki India Ltd.

TVS Motor Company Ltd.

VE Commercial Vehicles Ltd.

Yanmar Engine Manufacturing India Pvt. Ltd.

Honda Foundry, Japan

Riken Corporation, Japan

Fuji Oozx, Japan

CORPORATE OVERVIEW

Board of Directors

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

Principal Executives

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

Technical Collaborators

KS Kolbenschmidt GmbH, Germany

Riken Corporation, Japan

Honda Foundry Co. Ltd., Japan

Fuji Oozx Inc., Japan

Bankers

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

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

The Hongkong and Shanghai Banking Corporation Limited

DBS Bank India Ltd., Canara Bank

UCO Bank, Union Bank of India,

Statutory Auditors

Walker Chandiok & Co LLP,
Chartered Accountants

Registered Office

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

Works

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

Subsidiaries

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

Works

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

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

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

Directors' Profile

Mr. Pradeep Dinodia

Chairman (Non-Executive Non Independent Director)

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

Mr. Luv Deepak Shriram

Whole-Time Director

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

Ms. Meenakshi Dass

Non-Executive Director

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

Mr. Hari Shanker Bhartia

Independent Director

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

Directors' Profile

Ms. Ferida Avnish Chopra

Independent Director

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

Mr. Krishnakumar Srinivasan

Managing Director & CEO

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

Mr. Inderdeep Singh

Independent Director

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

Mr. Klaus Semke

Non-Executive Director

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

Directors' Profile

Mr. Yasunori Maekawa

Non-Executive Director

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

Mr. Shinichi Unno

Independent Director

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

Ms. Tina Trikha

Independent Director

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

Mr. Alexandru Vladoi

Alternate Director to Mr. Kalus Semke

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

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Dynamic Management Team

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

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

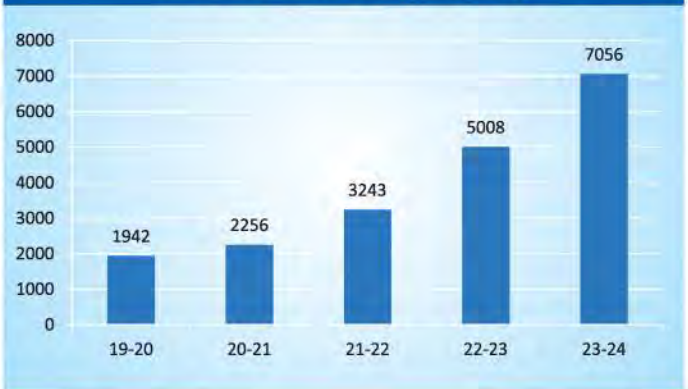
FINANCIAL HIGHLIGHTS

TOTAL INCOME (Mn/Rs.)

NET WORTH (Mn/Rs.)

EXPORTS (Mn/Rs.)

PBDT AFTER OCI (Mn/Rs.)



SIGNIFICANT RATIOS

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

Notes:

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

WORKING RESULTS AT A GLANCE

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

Notes:

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

BOARDS' REPORT

To the Members,

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

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

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

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

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

Financial & Operational Performance and State of Company's Affairs

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

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

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

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

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

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

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

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

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

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

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

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

Financial Highlights

(Rs. in Million)

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

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

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

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

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

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

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

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

6P PRINCIPLES

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

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

Awards & Accolades

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

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

Share Capital

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

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

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

Dividend Distribution Policy

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

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

Dividend

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

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

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

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

New Projects and Capacity Expansion

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

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

Change in the Nature of Business

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

Material Changes and Commitment

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

Credit Rating

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

Name Change of Subsidiaries

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

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

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

Subsidiary Companies and their Annual Accounts

i. **SPR Engenious Limited (SEL)**

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

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

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

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

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

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

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

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

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

Consolidated Financial Statement

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

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

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

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

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

Key Business developments:

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

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

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

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

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

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

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

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

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

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

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

Number of Meetings of the Board

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

Committees of the Board

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

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

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

Audit Committee

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

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

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

Whistle Blower Policy

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

Nomination and Remuneration Policy

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

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

There was no change in the Policy during the year.

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

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

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

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

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

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

Related Party Transactions

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

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

Corporate Governance Report

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

Management Discussion and Analysis

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

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

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

Particulars of Employees and Remuneration

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

Statutory Auditors

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

Secretarial Audit

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

Secretarial Audit Report of Material Unlisted Subsidiary

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

Internal Financial Controls and their Adequacy

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

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

Annual Return

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

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

Reports forming part of Boards' Report

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

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

Business Responsibility and Sustainability Report ("BRSR")

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

Disclosures on the Company's Website

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

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

Directors' Responsibility Statement

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

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

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

Other Disclosures:

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

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

   (Rs. in Million)

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

Notes:

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

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

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

iv) Failure to implement any corporate action;

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

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

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

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

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

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

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

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

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

Fixed Deposits

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

Investor Education and Protection Fund

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

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

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

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

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

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

Maintenance of Cost Records and Cost Audit

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

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

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

Details of CSR Activities undertaken by the Company

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

Sustainability

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

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

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

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

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

Risk Management Framework

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

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

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

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

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

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

Secretarial Standards

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

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

The changes are as under:

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

Directors Liable to Retire by Rotation

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

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

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

Familiarisation Programme for Independent Directors

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

Declarations from Independent Directors

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

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

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

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

Directors and Key Managerial Personnel

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

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

Acknowledgement

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

For and on behalf of the Board of Directors

(Pradeep Dinodia)
Chairman
DIN: 00027995

New Delhi
May 13, 2024

ANNEXURE - I

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

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

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

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

II. BOARD OF DIRECTORS

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

Size and Composition of the Board

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

ii) None of the Director on the Board: -

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

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

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

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

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

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

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

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

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

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

Notes:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

a) Executive Directors

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

b) Non-Executive Directors

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

Notes:

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

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

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

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

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

S. No.	Skills	Name(s) of Directors who possesses such skills
		- Mr. Yasunori Maekawa - Mr. Shinichi Unno - Mr. Luv Deepak Shriram - Mr. Krishnakumar Srinivasan - Mr. Alexandru Vladoi
Notes:	- *On completion of his tenure, Mr. Alok Ranjan ceased to be NED (Independent) w.e.f. close of business hours of 29.3.2024.* - *Mr. Masaaki Yamaguchi, NED of the Company resigned, w.e.f. close of business hours of 31.3.2024.* - *Ms. Tina Trikha has been appointed as NED (Independent) w.e.f. 13.5.2024 subject to the approval of the Members at the ensuing AGM.* - *Mr. Yasunori Maekawa appointed as NED w.e.f. 13.5.2024 subject to the approval of Members at the ensuing AGM.*	

xiii) Selection and Appointment of new Directors

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

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

xiv) Familiarization program for Independent Directors

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

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

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

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

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

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

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

III. COMMITTEES OF THE BOARD

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

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

A. Audit Committee

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

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

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

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

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

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

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

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

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

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

   (vi) Disclosure of any related party transactions;

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

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

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

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

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

i) Scrutiny of inter-corporate loans and investments;

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

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

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

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

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

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

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

q) Reviewing the functioning of the whistle blower mechanism;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

B. Nomination and Remuneration Committee

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

The broad terms of reference of NRC includes the following:

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

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

c) to devise a policy on Board diversity;

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

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

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

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

   (iii) consider the time commitments of the candidates.

f) to evaluate every Director's performance;

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

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

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

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

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

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

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

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

Performance Evaluation Criteria for Independent Directors

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

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

Nomination and Remuneration Policy:

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

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

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

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

Remuneration to Non-Executive Directors

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

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

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

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

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

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

Notes:

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

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

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

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

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

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

Remuneration to Executive Directors:

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

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

Rs./Million

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

Notes:

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

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

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

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

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

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

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

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

Senior Management Personnel during FY 2023-24

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

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

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

C. Stakeholders Relationship Committee

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

The broad terms of reference of the SRC are: -

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

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

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

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

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

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

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

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

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

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

Mr. Pankaj Gupta, Company Secretary & Compliance Officer

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

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

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

Compliance Certificates

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

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

D. Risk Management Committee

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

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

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

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

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

  c) Business continuity plan.

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

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

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

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

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

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

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

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

E. Corporate Social Responsibility (CSR) Committee

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

Terms of reference of the CSR Committee include:

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

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

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

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

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

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

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

F. Independent Directors Meeting

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

IV. GENERAL BODY MEETINGS

A. Details of General Meetings

a) Annual General Meeting (AGM)

Date and venue of the last three Annual General Meetings:

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

b) Extraordinary General Meeting (EGM)

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

c) Special Resolution in the previous three Annual General Meeting

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

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

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

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

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

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

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

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

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

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

B. Postal Ballot

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

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

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

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

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

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

V. MEANS OF COMMUNICATION

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

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

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

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

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

VI. GENERAL SHAREHOLDER INFORMATION

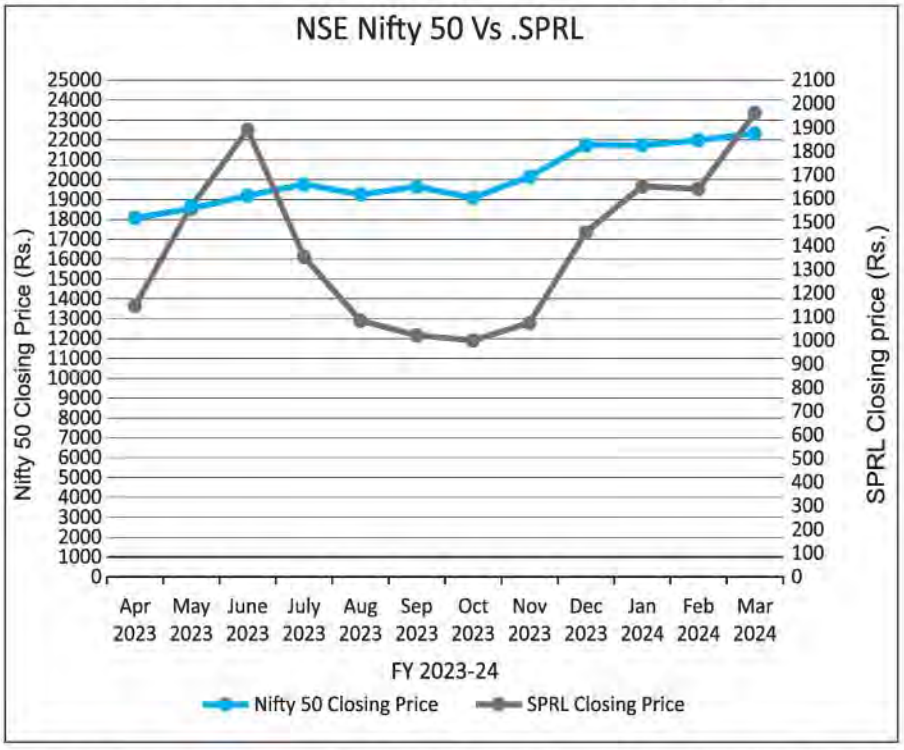
(i)	**Annual General Meeting for FY 2023-24** Date & Day Time Mode & Venue	 **July 24, 2024 (Wednesday)** **4:00 P.M.(IST)** AGM will be convened through Video Conferencing/ Other Audio Visual Means (OAVM) at the Company's Registered Office i.e 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New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

(xi) Stock Market Price Data

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

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

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



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

(xiv) Registrar and Share Transfer Agents

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

(xv) Place for Acceptance of documents

Documents will be accepted at:

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

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

(xvi) Share Transfer System

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

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

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

(xvii) Distribution of Shareholding

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

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

(b) Shareholding Pattern as of March 31, 2024

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

(xviii) Dematerialization of shares and liquidity

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

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

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

(xx) Corporate Identification Number: L29112DL1963PLC004084

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

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

(xxii) Investors' correspondence may be addressed to:

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

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

(xxiii) Credit ratings obtained by the Company:

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

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

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

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

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

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

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

(xxv) Online Dispute Resolution Portal

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

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

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

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

(ii) Introduction of a common ODR Portal;

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

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

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

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

VII. DISCLOSURES

(i) Related Party Transactions

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

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

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

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

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

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

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

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

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

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

(b) Non-mandatory requirements:

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

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

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

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

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

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

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

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

(xii) A certificate has been received by the Company from PG and Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority(ies). (Annexed herewith as part of the report)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(Amount in Rs. Million)

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

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

VIII. CODE OF CONDUCT

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

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

IX. INSIDER TRADING

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

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

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

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

X. RECONCILIATION OF SHARE CAPITAL AUDIT

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

XI. SUBMISSION OF QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE

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

XII. CEO AND CFO CERTIFICATION

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

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

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

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

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

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

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

Process for claiming shares & dividend from IEPF

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

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

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

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

Details of Nodal Officer:

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

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

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

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

For and on behalf of the Board of Directors

(Pradeep Dinodia)
Chairman
DIN: 00027995

New Delhi
May 13, 2024

DECLARATION ON COMPLIANCE OF CODE OF CONDUCT

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

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

New Delhi
May 13, 2024

(Krishnakumar Srinivasan)
Managing Director & CEO
DIN: 00692717

Annexure A

CERTIFICATE ON CORPORATE GOVERNANCE COMPLIANCE

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

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

Management's Responsibility:

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

Auditors' Responsibility:

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

Opinion:

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

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on Use:

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

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

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

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

Place: New Delhi
Date: May 13, 2024

UDIN: F005862F000373482

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members

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

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

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

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

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

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

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

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

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

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

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

Place: New Delhi
Date: May 13, 2024

ANNEXURE - II TO BOARDS' REPORT

REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENT

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

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

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

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

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

2. OPPORTUNITIES

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

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

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

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

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

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

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

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

3. THREATS

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

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

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

While the Government's push for EVs through various incentives is encouraging, several challenges persist. These include inadequate charging infrastructure,limited facilities for battery & motor manufacturing, high-cost structures for EVs and safety concerns. These factors could collectively slow down the adoption of e-mobility, especially in the Passenger and Commercial Vehicle segments.

The Company is closely monitoring e-mobility trends and collaborating with global partners to stay ahead in this evolving landscape from a technology and supply standpoint.

In anticipation of the shift towards e-mobility, the Company has strategically invested in this sector and continues to seek out suitable products and technology partners for diversification into adjacent markets. These investments are made judiciously, with a focus on long-term sustainability and growth.

4. SEGMENT-WISE/ PRODUCT-WISE PERFORMANCE

The Company deals principally in only one segment i.e. automotive components. Therefore, segment-wise performance is not applicable.

5. OUTLOOK

The FY 2024-25 outlook for the automobile sector is intricately tied to various factors, including the geopolitical landscape and persistent inflation. Despite these challenges, the long-term forecast for automobile production is promising, driven by rising demand for personal mobility, rapid urbanization, improved road infrastructure, favourable monsoon, ongoing infrastructure upgrades and a focus on rural development.

The Company's strategy revolves around the core pillars:

Market Expansion: The Company aims to further strengthen its position in the domestic market by expanding the Company's product portfolio by winning new business in non-automotive segments and enhancing its distribution network. Additionally, the Company is exploring opportunities for geographic expansion, particularly in emerging markets where demand for automotive components is on the rise. The Company continues to work in the Aftermarket to grow its product profile and ensure deeper penetration.

Innovation and Technology: The Company remains committed to innovation and technology advancement, with a focus on developing products that are aligned with the industry's shift towards electric as well as greener fuel solutions like CNG, LNG, H-CNG, other flex fuels and H_2 as a fuel. By staying at the forefront of technological advancements, the Company aims to meet the evolving needs of customers and maintain its competitive edge. The Company will continue to invest in advanced manufacturing technologies and processes, allowing the Company to offer cutting-edge solutions that meet the evolving needs of customers.

Solidifying relationships: The Company's strong relationships with global OEMs have been a cornerstone of its success. These partnerships have bolstered the Company's position in the domestic market and also opened up avenues for growth in the international arena. The Company's reputation for quality, reliability and innovation has been instrumental in maintaining and nurturing these relationships, positioning us as a preferred supplier for global OEMs.

Operational Excellence: The Company is continuously striving for operational excellence by optimizing the manufacturing processes, reducing costs and improving efficiency. By streamlining the operations, the Company aims to enhance its competitiveness and drive profitability.

The Company's strengths, coupled with a strategic focus on market expansion, innovation and operational excellence, position it well for sustained growth and success in the dynamic automotive components industry.

Sustainable Development: The Company is committed to being a responsible corporate citizen and has embedded sustainability in every realm of its value chain. The Company has achieved several milestones in its ESG journey, like three of the plants having the status of zero liquid discharge and state-of-the-art ETP & STP. Further, the Company has achieved a 20% reduction in Scope II emissions, a 20% increase in the mix of renewable energy, solar power and wind power, and a 30% increase in the use of recycled material.

6. RISK & CONCERNS

Risk is an intrinsic component of any business endeavour. The Company operates within a fiercely competitive landscape characterized by constant innovation and varying resource availability among players. The cost of raw materials and inflationary pressures further compound the challenges, yet adept management of raw material procurement has helped mitigate manufacturing costs.

The automotive sector faces escalating raw material prices, particularly for steel, aluminium, copper and precious metals, stringency in regulation, technology up-gradation, discerning customer demand and disintegration of global barriers which could impede growth and pose a threat to Company's margins.

Moreover, external factors such as elevated automobile & fuel prices, rising interest rates and global economic headwinds are dampening demand. Nevertheless, favourable government policies aimed at promoting semiconductor manufacturing are expected to bolster the industry.

Addressing these challenges, the management has implemented proactive measures to enhance liquidity and boost profitability. These include productivity enhancements, rejection reductions, digitization of business processes and other cost-saving initiatives.

Despite these challenges, the medium to long-term outlook for the automotive sector remains positive, driven by the increasing preference for personal mobility. The Company has developed a robust risk mitigation plan, diversifying the Company's presence across all market segments – OEMs and Aftermarket – in both domestic and export markets, across all segments.

Supported by the Company's technology partners, the Company is well-equipped to meet customer demands for cutting-edge products and expand its model/variant offerings. The Company's continued investments in world-class technology and manufacturing systems are expected to yield significant benefits in the future.

While acknowledging that risk factors may impact the Company's profitability, the Company is confident that they do not pose an existential threat to the Company.

7 INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has implemented a robust internal control system to authorize, record and report transactions, safeguard assets and prevent unauthorized use or disposal in a timely manner. These controls ensure data & financial information reliability and maintaining asset accountability.

The Audit Committee of the Board reviews significant audit findings, corrective actions and monitors the status of management actions from internal audit reviews. The Company's Internal Audit function in addition to external auditors has continuously strengthened processes for enhanced effectiveness and productivity, including deploying best-in-class tools for analytics in the audit domain, enhancing audit depth, coverage and sharpness.

The Company has an adequate internal financial control system over financial reporting that is operating effectively and provides reasonable assurance regarding all financial and operating functions and compliance with statutory provisions. Detailed business plans, investment strategies, year-on-year reviews, annual financial & operating plans and monthly monitoring are standard practices for all operating and service functions.

Enterprise resource planning, supplier relations management and customer relations management connect various locations, dealers and vendors for efficient information exchange. The Company uses data analytics and IT tools to enhance the scope and effectiveness of the internal audit function.

The Company has in place adequate systems to periodically assess various risks, their likelihood & impact and an action plan to pro-actively mitigate the impact of various risks.

8. FINANCIAL/ OPERATIONAL PERFORMANCE

The Company's revenue from operations during the year ended March 31, 2024 was Rs. 29,537 Million.

Net profit after tax (before OCI) of the Company during the year ended March 31, 2024 was Rs. 4,468 Million.

Earnings per share was Rs. 101.42 in FY 2023-24.

9. HUMAN RESOURCES/ INDUSTRIAL RELATIONS

Human Resources are the cornerstone of the company's success, the Company's value-driven culture, progressive HR policies and investment & empowerment of the people been integral in creating a culture of belonging. The management

recognizes the paramount importance of its workforce and is dedicated to providing developmental opportunities through a variety of training and welfare programs. The Company's commitment is to create an environment that fosters continuous innovation and improvement by recognizing and rewarding employees for their dedicated efforts toward achieving the Company's objectives. Consistent steps are taken to fortify the Management structure, ensuring stability and growth within the organization.

The Company believes that the achievements are the result of the team's collective efforts and therefore, strives to provide a sustainable learning environment from recruitment to retention. The Company's core values include dignity, respect, fairness, transparency and the provision of growth opportunities for all employees. The company strongly encourages internal movements, enabling employees to explore diverse career opportunities and contribute to the development of a robust talent pipeline.

The Company is an equal opportunity employer and has an equal opportunity policy embracing all diversity parameters which include gender, marital status, religion, race/cast, colour, age, ancestry, language socio-economic status, physical appearance, disability and any other category protected by applicable laws.

The Company acknowledges the capabilities, contributions, potential and value of its human capital. The Company upholds the dignity, fundamental freedoms & human rights of its employees, contractors and the communities in which they operate. As a responsible corporate citizen, the Company complies with all applicable laws while respecting human rights.

As of March 31, 2024, the Company had 3887 permanent employees.

10. CHANGES IN KEY FINANCIAL RATIOS ARE AS UNDER:

S. No.	Ratios	Unit	2022-23	2023-24	%age change
I	Debtors Turnover	Times	6.82	6.94	2%
ii	Inventory Turnover	Times	5.67	6.04	6%
iii	Interest Coverage Ratio	Times	22.09	25.15	14%
iv	Current Ratio	Times	2.50	2.32	-7%
v	Debt Equity Ratio	Times	0.19	0.17	-8%
vi	Operating Profit Margin	%	14.87	18.66	25%
vii	Net Profit Margin	%	11.55	15.36	33%

Return on Net worth of the Company during Financial Year 2023-24 was 23.25% as compared to 19.96% last year.

CAUTIONARY STATEMENT

The statements made in this Management Discussion and Analysis Report, including projections, expectations, estimates, descriptions of global conditions and government policies are "forward-looking statements" within the meaning of applicable securities laws and regulations, based on data available to the Company. Forward-looking statements inherently involve risks and uncertainties, as they require the Company to make assumptions. Readers are cautioned not to place undue reliance on forward-looking statements, as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements.

Important factors that could affect the Company's operations include, economic conditions affecting demand/supply & price conditions in domestic & overseas markets, changes in government regulations, tax laws, other statutes and incidental factors.

Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the report on Management's Discussion and Analysis forming part of the Boards' Report for FY 2023-24.

ANNEXURE - III TO BOARD'S REPORT

REPORT ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

[PARTICULARS REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014]

A. CONSERVATION OF ENERGY

The Company has always been conscious of the need to conserve energy in its Manufacturing Plants which leads to optimized consumption of non-renewable fossil fuels, energy productivity, climate change mitigation and reduction in operational costs. The Company is working to increase the amount of renewable energy generated in-house and procured from off-site sources.

1. Energy Conservation measures taken during the year:

Energy conservation is an environmentally sustainable and economically viable process and has been a priority focus area for the Company. The following measures were taken during the year 2023-24: -

At Ghaziabad: -

i) Energy saving through Solar Power

ii) Power saving by modification on machines and processes

iii) Replacement of conventional fans with BLDC fans

iv) Energy saving on holding furnaces by removing transformers at specific places and conversion from two-phase electric power to three-phase electric power

v) Usage of EC fans in comfort cooling units

At Pathredi: -

i) Replacement of conventional fans with BLDC fans

ii) Retrofitting of energy-efficient EC fans in comfort air cooling units

iii) Installation of Solar street lights

iv) Usage of PNG to reduce emissions

v) Installation of intelligent evaporator for final water treatment

vi) Contactless temperature monitoring system

vii) Heat recovery for reuse

2. Steps taken by the Company to utilize alternate sources of energy:

The Company plans to continue to source offsite renewable power in line with regulatory policies/frameworks and tariffs in the States where we operate. These efforts will continue to help offset greenhouse gas emissions in the coming years.

The Company has converted 19% of daily energy consumption at one of its plant from thermal to an alternative renewable energy source i.e. solar energy, which is planned to increase to 35% by FY 2024-25. The Company plans to convert 40% of daily energy consumption from thermal to an alternative renewable energy source i.e. solar energy at its other plant.

3. Impact of the above measures:

These measures have resulted and will lead to further improvement in energy efficiency in operations and a reduction in cost of production.

4. Capital Investment on energy conservation equipment: Rs. 13.37 Million.

B. TECHNOLOGY ABSORPTION

In FY 2023-24, the Company continued with its commitment to sustainability and green technologies. The Company is amongst country's most innovative component manufacturers with its R&D facilities getting consistently upgraded to cater to different fuel applications like CNG, LNG, H-CNG, Hydrogen as a fuel and also developing Electrical Powertrain solutions.

1 Efforts, in brief, made towards technology absorption: -

i) Absorption of new technology for diesel pistons /engine valves suitable for gensets, heavy-duty trucks, etc.

ii) Upgrade existing engine testing facility to run on flex fuels. (E85 & E100 blended fuels)

iii) Expanding the current application range to make Nodular Cast Iron Pistons with special features

iv) In-house capacity enhancement for aluminium forged pistons for high- performance 2-wheeler applications (350cc~1000cc) matched with special high diameter thin cross-section rings

v) Developed special Piston Assembly and Engine valves for recreational engines e.g. snow bikes, boats, etc.

vi) Patent awarded for composite coating of chrome for steel rings

vii) Development of Large Dia. Pins (>42 mm dia.) for domestic and exports applications

2. Benefits derived as a result of the above effort:

i) Expand customer base in export and domestic segment

ii) Winning customer confidence & accomplishing the vision of becoming customer preferred supplier

iii) New products with superior technology help improve market share and improve turnover

iv) Motivated team to continue to innovate to sustain market leadership

3. Imported technology:

Technology is being continuously received from Technical Collaborators viz. KS Kolbenschmidt GmbH (Germany), Honda Foundry (Japan) Riken Corporation (Japan) and Fuji Oozx (Japan) under subsisting Technical Collaboration Agreements for the manufacture of Pistons, Piston Rings and Engine Valves.

Details of technology imported during the last three years (reckoned from the beginning of the financial year):

S. No.	Details of technology imported	Year of import	Whether technology has been fully absorbed	Reason for non-absorption of technology, if any
Pistons:				
i	Piston Upgradation Technology	2022-23	No	Under Implementation
Rings:				
i	GNT Technology - Spacer	2020-21	Yes	-
ii	Taper OD Profile for Rails	2020-21	Yes	-
Iii	SSG profile - Spacer	2020-21	Yes	-
iv	SGN treatment - Spacer	2020-21	Yes	-
v	Closed Gap in 0.03 tolerance limit	2022-23	Yes	-
vi	2nd Ring under PVD coating	2022-23	Yes	-
vii	Top Ring with minute gap edge chamfer	2022-23	Yes	-
Engine Valves:				
i	Introduced special alloy for Exhaust valve for high durability in power GEN application	2021-22	Yes	-
ii	Thermo-coupled valves for live temperature measurement	2021-22	Yes	-
iii	Introduced stellite powder for CNG application	2022-23	Yes	-

4. Expenditure on R & D:

Capital/Intangible	:	Rs. 22 Million
Recurring	:	Rs. 227 Million
Total	**:**	**Rs. 249 Million**

Total R&D expenditure as a percentage of total income: 0.82%

C. FOREIGN EXCHANGE EARNINGS & OUTGO

1. Exports:

i) Exports continue to remain the focus area for the Company. The Company made exports worth Rs. 5,182 Million in the year as compared to Rs. 4,841 Million in the previous year.

ii) Several initiatives have been taken for the long term growth of the Company's export to global OEMs and in the aftermarket, in close coordination with its Collaborators.

iii) The Company is targeting to achieve double-digit growth in export levels from the previous year. This will however be determined by the global headwinds and geopolitical challenges.

2. Foreign Exchange earned - Rs. 5,275 Million

Foreign Exchange utilized/outgo - Rs. 2,609 Million

ANNEXURE - IV TO BOARD'S REPORT

DATA OF EMPLOYEES

[UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014]

1. Particulars of Employees:

Name	Designation	Remuneration (Rs.)	Qualifications	Experience (Years)	Commencement of Employment	Age (Years)	%age of Equity Shares held	Last Employment Held
Sandeep Agrawal	Executive Director & Chief Marketing Officer	28,378,850	B.Sc (Mechanical Engineering), PGDBM	37	April 2021	58	-	Head Network Management and CEO, Gulf Ashley Ltd with Ashok Leyland
Poonam Bharti	Executive Director & Chief HR Officer	26,382,805	B.Sc., Masters in HR & IR	29	March 2018	53	-	Global HR Head, Ranbaxy/ Sun Pharma
Sandeep Kalia	Executive Director	23,555,694	B.E. Mechanical, Diploma in Management	40	July 2015	62	-	Member of Board of Director-Mushashi Auto Parts India Pvt. Ltd
Devendra Mishra	Executive Director	27,630,385	B.E., PGDBM	36	July 2011	59	-	VP-Manufacturing, National Engineering Industries
Rajan Nanda	Executive Director	22,966,605	B.E. Mechanical, MBA Finance & Operations	33	June 2015	55	-	Head Key Account Management (Automotive)- Schaeffler India
Arun Kumar Shukla	Executive Director	24,970,206	B.Tech	37	August 2009	59	-	Vice President - Operations, Uniparts India Ltd.
Prem Prakash Rathi	Executive Director & CFO	23,629,757	FCA, B.Com (Hons.)	25	January 2021	50	-	Chief Financial Officer-Raymond Ltd. (Garmenting Division)
Atul K Khanapurkar	Dy. Executive Director	16,583,832	B.E. (Electronics)	38	March 2019	60	-	Sr. General Manager, Bosch Ltd.
Ashok Sinha	Dy. Executive Director	15,726,658	B.Sc. Engg. (Mechnical), PGDBM, MBA	27	April 2022	48	-	SCM Director - Cummins Engine
Dharmendra Singh	Dy. Executive Director	14,659,546	B.Sc. Engg. (Mechnical)	37	August 1989	58	-	
Luv Deepak Shriram*	Wholetime Director	69,520,330	B.Com	31	May 2014	52	30.30[$]	Managing Director, Shriram Veritech Solutions Pvt. Ltd.
Krishnakumar Srinivasan*	Managing Director & CEO	88,636,380	B.E. (Mech.), MBA, Diploma in Exports	37	February 2020	58	-	President and Director, Europe and Strategic Business, Bharat Forge Ltd.

Notes:

(i) Year of experience include experience prior to joining the Company.

(ii) All employees are in regular employment.

(iii) Remuneration includes payment of salaries, allowances, expenses on perquisites & contribution to provident fund, gratuity fund, superannuation fund and other benefits on payment basis.

(iv) *Employees on Contract.

(v) $ Mr. Luv D. Shriram (First named shareholder) and Ms. Meenakshi Dass (Second named shareholder) jointly hold 15.14% shares of the Company on behalf of Deepak Shriram Family Benefit Trust.
Ms. Meenakshi Dass (First named shareholder) and Mr. Luv D. Shriram (Second named shareholder) jointly hold 15.14% shares of the Company on behalf of Deepak Shriram Family Benefit Trust.
Mr. Luv D. Shriram (First named shareholder) and Mr. Kush D. Shriram (Second named shareholder) jointly hold 0.00001% shares of the Company on behalf of NAK Benefit Trust.
Mr. Luv D. Shriram also holds 0.02% shares of the Company in his name.
Mr. Luv D. Shriram is a relative of Ms. Meenakshi Dass, who is a Non-Executive Director of the Company.

(vi) There was no employee who was in receipt of remuneration which, in the aggregate, is in excess of that drawn by the Managing Director or Whole Time Director and holds by himself or along with his/her spouse and dependent children, not less than 2% equity shares of the Company.

2. **Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year:**

Name of the Director	Ratio of remuneration to median remuneration of employees (Times)
Mr. Pradeep Dinodia	87.23
Mr. Hari Shanker Bhartia	2.64
Ms. Ferida Chopra	11.10
Ms. Meenakshi Dass	10.09
Mr. Sascha Putz*	-
Mr. Alok Ranjan	11.30
Mr. Inderdeep Singh	11.30
Mr. Shinichi Unno	2.64
Mr. Masaaki Yamaguchi	3.05
Mr. Yasunori Maekawa (Alterante Director to Mr. Masaaki Yamaguchi)	2.44
Mr. Klaus Semke	9.28
Mr. Alexandru Vladoi* (Alterante Director to Mr. Klaus Semke)	-
Mr. Luv Deepak Shriram	140.30
Mr. Krishnakumar Srinivasan	178.88
*were Directors for part of the year in 2023-24, therefore figures are not comparable.	

3. **Percentage increase in remuneration of Directors, CFO, CEO and CS:**

Name of the Director / CFO / CEO / CS	% age increase in remuneration
Mr. Pradeep Dinodia	33.95
Mr. Hari Shanker Bhartia	37.89
Ms. Ferida Chopra	10.00
Ms. Meenakshi Dass	19.05
Mr. Sascha Putz*	-
Mr. Alok Ranjan	9.80
Mr. Inderdeep Singh	5.66
Mr. Shinichi Unno	-40.45
Mr. Masaaki Yamaguchi*	100
Mr. Yasunori Maekawa*	100
Mr. Krishnakumar Srinivasan	27.97
Mr. Klaus Semke*	100
Mr. Alexandru Vladoi*	-
Mr. Luv Deepak Shriram	33.04
Mr. Prem Prakash Rathi	47.40
Mr. Pankaj Gupta	24.28
* were Directors for part of the year 2022-23 or 2023-24, therefore figures are not comparable.	

4. **Percentage increase in the median remuneration of employees in the financial year:** 12.32%

5. **The number of permanent employees on the rolls of Company:**
As of 31.3.2024, the number of permanent employees on the rolls of the Company is 3887.

6. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**
The average Percentile Increase in the Salaries of Employees is 11.44%. The average Percentile Increase in Managerial Remuneration is 30.50% due to increased profitability. The remuneration of employees and Managerial Personnel is decided based on the individual performance, Company's overall performance, inflation, prevailing industry trends and benchmark.

7. **Affirmation that the remuneration is as per the remuneration policy of the Company:**
The remuneration is as per the Remuneration Policy of the Company.

ANNEXURE-V TO BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 ("the Act") read with the Companies(Corporate Social Responsibility Policy) Rules, 2014]

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

The CSR policy of the Company emphasizes commitment to making a positive impact on society and environment. The Company's policy is to conduct its business responsibly and to improve the quality of life of people, giving preference to local areas around business operations of the Company while creating long term value for all stakeholders. The CSR activities are designed to deliver maximum impact with guiding principles being trust, fairness and care. At its core, the policy aims to integrate responsible business practices into all aspects of operations.

The CSR initiatives of the Company are undertaken as projects or programmes or activities in line with the CSR Policy. During the year ended March 31, 2024, the Company discharged its CSR obligations through projects and programmes in the areas of Healthcare, Education, Environmental Sustainability, Sanitation, Safe Drinking Water, Skill Development & Livelihood, Heritage, Art & Culture preservation, Women Empowerment and promoting Diversity and Inclusion. Priority is given to projects, programs, and activities that support communities including vulnerable and marginalized groups.

By actively engaging in these areas, the Company strive to contribute to the well-being of the communities where it operates while upholding high standards of corporate citizenship. The CSR policy underscores Company's belief that businesses should not only be profitable but also contribute to the greater good of society as a whole.

2. **Composition of CSR Committee:**

S. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
i)	Mr. Pradeep Dinodia	Chairman (Non-Executive Director)	2	2
ii)	Mr. Inderdeep Singh	Independent Director	2	1
iii)	Ms. Meenakshi Dass	Non-Executive Director	2	2
iv)	Mr. Luv Deepak Shriram	Whole-Time Director	2	2
v)	Mr. Krishnakumar Srinivasan	Managing Director & CEO	2	2

3. **Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:** https://shrirampistons.com/investors-guide-2/

4. **Details of Impact assessment of CSR projects carried out in pursuance of Sub rule(3) of Rule 8 of the Companies(Corporate Social responsibility Policy) Rules, 2014:** Not applicable

5. i) **Average Net Profit of the Company as per Section 135(5) of the Act:** Rs. 2597.92 Million.

   ii) **Two percent of average net profit of the company as per section 135(5) of the Act:** Rs.51.96 Million.

   iii) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil

   iv) **Amount required to be set off for the financial year, if any:** Nil

   v) **Total CSR obligation for the financial year (b+c+d):** Rs.51.96 Million.

6. i) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** Rs. 40.97 Million.

   ii) **Amount spent on Administrative Overheads:** Rs.2.35 Million.

   iii) **Amount spent on Impact Assessment, if applicable:** NA

   iv) **Total amount spent for the Financial Year [(i)+(ii)+(iii)]:** Rs.43.32 Million.

v) **CSR amount spent or unspent for the Financial Year:**

Amount Rs. Million

Total Amount Spent for the Financial Year	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
43.32	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
	8.63	30.4.2024	-	-	-

vi) **Excess amount for set off, if any:**

S. No.	Particular	Amount (Rs. Million)
i)	Two percent of average net profit of the Company as per sub section (5) of section 135	51.96
ii)	Total amount spent for the Financial Year	43.32
iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

7. a) Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

Amount (Rs. Million)

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years.	Deficiency, if any
					Name of the Fund	Amount	Date of transfer		
i)	2020-21	10.26	4.01	4.01	-	-	-	-	-
ii)	2021-22	9.08	1.94	1.45	-	-	-	0.49	-
iii)	2022-23	2.09	2.09	0.62	-	-	-	1.47	-
	Total	**21.43**	**8.04**	**6.08**	-	-	-	**1.96**	-

8. **Whether any capital assets have been created or acquired through CSR amount spent in the Financial Years**

○ Yes ● No

If Yes, enter the number of Capital assets created/ acquired: Not applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year.

S. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s) Date of creation	Amount of CSR amount spent	Details of entity/ Authority/beneficiary of the registered owner		
				CSR Registration Number, if applicable	Name	Registered address
Not Applicable						

(All the fields should be captured as appearing in the revenue record, Flat No, House No, Municipal Officer/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. **Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5):** The Implementation of CSR projects is in progress and the balance unspent amount belongs to ongoing projects of the Company and shall be utilized within the time limit as prescribed under Section 135 of the Act read with relevant rules thereunder including any modification(s) thereof from time to time.

May 13, 2024
New Delhi

(Pradeep Dinodia)
Chairman of CSR Committee

(Krishnakumar Srinivasan)
Managing Director & CEO

SPRL's JOURNEY IN CSR

Progress that revolves around giving back to the Society

CSR POLICY

SPRL's policy is to conduct its business responsibly and improve the quality of life of people, while creating long term value for all stakeholders.

CSR ACTIVITIES

The Company Commits to CSR Initiatives In:

- EDUCATION
- SANITATION
- HEALTHCARE
- ENVIRONMENT
- ANY OTHER AREAS AS APPROVED BY THE CSR COMMITTEE/BOARD

CSR PROJECTS/ PROGRAMMES/ACTIVITIES

OLD AGE HOME

Adoption of Old Age Home at Garhmukteshwar to provide comfortable shelter and healthcare for abandoned elderly.

HEALTHCARE

Our company operates six charitable dispensaries and two Mobile Health Units, serving approximately 480 patients daily. Additionally, we've launched a new project, a Charitable Dispensary, which is now operational. We've also dedicated a hospital floor to provide affordable medical treatment to underprivileged patients. Furthermore, we organize Preventive Health Check-up camps, blood donation drives, and yoga camps regularly.

लाला चरत राम चैरिटेबल डिस्पैन्सरी

EDUCATION

Adoption of Senior Secondary Government Girls School, Tijara, Alwar: Adopted in 2014-15, transformed into a 5-star institution with improved infrastructure, academic performance, and extracurricular participation.

Vocational Training Center for Women: Empowered 450 women with skills for employment or self-employment.

Diploma Courses for 10th/12th Pass Students: Six batches, totaling 426 students, completed certificate courses leading to employment or self-employment opportunities.

5TH ISF NATIONAL KARATE CHAMPIONSHIP 2023
Organised By : Indian Sports Federation
Recognized By: Govt India Ministry Of Youth Affairs & Sports Government Of India
Date: 13th & 14th May 2023

ENVIRONMENT

SANITATION

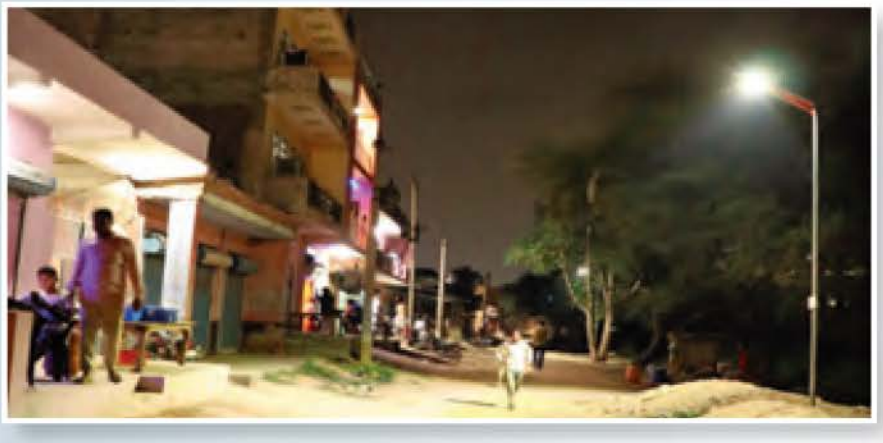
RURAL DEVELOPMENT

ADOPTION OF VILLAGE

The company has adopted a village, contributing to its development by providing clean drinking water, sanitation facilities, healthcare services, street lighting, and educational support.

Various Projects/Programmes:

- Adoption of Two Government Primary Schools
- Organizing Health Care, Preventive, Yoga, Eye Care, Blood Donation Camps etc.
- Provision of Drinking Water: Installing Hand Pumps and Water Coolers etc.
- Development of Park and Other Areas
- Rainwater Harvesting
- Building Toilets
- Solar Lights Installation in Villages in Bhiwadi
- Constructing a Hall in Divyang School, Ghaziabad
- Providing a Bolero Vehicle to a Girl Orphanage in Dharuhera.



शीतल पेय जल

COMMUNITY WELFARE ACTIVITIES

खैरथल/भिवाड़ी भास्कर 07-12-2023

शिविर में हुआ 69 यूनिट रक्तदान

42 सिलाई मशीनों का किया वितरण

शिविर में 47 यूनिट रक्तदान

जरूरतमंदों और गरीबों को वितरित किए गर्म कपड़े और स्वीटर

भिवाड़ी भास्कर 22-06-2023

भिवाड़ी भास्कर 26-08-2022

शिक्षण सामग्री का वितरण किया

वाटर कूलर किया भेंट

समाज सेवा में श्रीराम पिस्टन कंपनी का एक और प्रशासनीय पहल

विकलांगता के अभिशाप को मिटाने के लिए यह संकल्पित है श्री राम पिस्टन : संदीप सहरिया

श्री राम पिस्टन कंपनी ने निःशुल्क कृत्रिम अंग वितरण शिविर लगाया

शिविर में 10 लोगों को कृत्रिम अंग सुपुर्द वितरण किए

श्रीराम पिस्टन्स ने लगाया निःशुल्क स्वास्थ्य परीक्षण शिविर

40 कंप्यूटर डोनेट किए गए

ANNEXURE - VI TO BOARD'S REPORT

Form MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **M/s. Shriram Pistons & Rings Limited** (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-process and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made thereunder.
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder:
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 viz:-
   - (i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)
   - (ii) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
   - (iii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations);
   - (iv) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
   - (v) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018;
   - (vi) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not applicable**
   - (vii) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not applicable**
   - (viii) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
   - (ix) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not applicable**
   - (x) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018: **Not Applicable**

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

Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

As informed to us, there are no other Sector Specific Laws applicable to the Company during the audit period. We have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

I further report that:

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

Adequate notice of at least seven days is given to all directors to schedule the Board Meetings and Meetings of Committees except in cases where meetings were convened at a shorter notice for which necessary approval was obtained as per applicable provisions. Agenda and detailed notes on agenda were sent in advance in adequate time before the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings of the Board and Committees of the Board, duly signed by the Chairman, all the decisions of the Board were unanimously passed and members views, if any, were captured and recorded as part of the minutes.

I further report that based on their view of the Compliance mechanism established by the Company and on the basis of compliance reports issued by the Company Secretary and Managing Director & CEO based on the updates issued by Functional heads and taken on record by the Board of Directors at their meeting(s), I am of the opinion that there are adequate systems and processes in place in the Company which are commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

I further report on the basis of management representation, recording in the Minutes of Board Meetings and documents provided, I am of the view that the Company has ensured compliance with other laws generally applicable to it like:

1. The Water (Prevention and Control of Pollution) Act,1974;
2. The Air (Prevention and Control of Pollution) Act,1981;
3. The Environment (Protection) Act, 1986;
4. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
5. Factories Act, 1948;
6. Payment of Wages Act. 1936;
7. Minimum Wages Act, 1948;
8. Employees' State Insurance Act, 1948;
9. Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

I further report that during the audit period under review, event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. are:

i. The Company along with the patentee Riken Corporation has been granted a patent for an invention entitled 'A Composite Plating Film of Chromium with Diamond Particles, and Piston Ring having the same and its Production Method' w.e.f. 23.12.2015 in accordance with the provisions of the Patents Act, 1970.

ii. Pursuant to provisions of the Companies Act, 2013 and Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 and in line with the approval of shareholders on 6th July, 2023, 2,20,24,912 (Two Crore Twenty Lakh Twenty Four Thousand Nine Hundred Twelve only) equity shares of ₹10/- each, were allotted as bonus shares in the ratio of 1:1 i.e., one (1) new equity share of ₹10/- each for every one (1) existing fully paid-up equity shares of ₹10/- each. Due to this, paid-up share capital of the Company has been increased to Rs. 44,04,98,240/-.

iii. During the year under review, SPR Engenious Limited ('SEL') - a wholly owned subsidiary (WOS) of the Company has been classified as a material subsidiary of the Company as per regulation 16(1)(c) and regulation 24(1) of SEBI Listing Regulations on 10.10.2023 and 22.02.2024 respectively.

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

Place: New Delhi
Date: May 6, 2024

CS PREETI GROVER
(Proprietor)
FCS: 5862, CP No.: 6065
Peer Review No.: 772/2020

UDIN: F005862F000311266

Note: This report is to be read with our letter of even date annexed to this Report as Annexure-A, which forms part of this Report.

Annexure-A

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

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and for which we relied on the report of statutory auditor.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
6. We have relied on the Management representation about the compliance of laws, rules and regulations and happening of events etc.
7. The agenda papers of the Board/Committee meetings held during the year were not shared with us thus, could not be checked for audit purpose.

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

Place: New Delhi
Date: May 6, 2024

CS PREETI GROVER
(Proprietor)
FCS: 5862, CP No.: 6065
Peer Review No.: 772/2020

UDIN: F005862F000311266

ANNEXURE - VII TO BOARD'S REPORT

FORM MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31.03.2024

To
The Members,
SPR Engenious Limited
3rd Floor, Himalaya House,
23, K.G. Marg, New Delhi-110001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SPR Engenious Limited** (hereinafter called "the Company") bearing **CIN: U29299DL2022PLC405090**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2024** generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:

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

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

(iii) The Depositories Act, 1996 to the extent applicable for unlisted company;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The Rules, Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not Applicable**;
- (b) *The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations) - **Not Applicable**;
- (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) - **Not Applicable**;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – **Not Applicable**;
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – **Not Applicable**;
- (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021- **Not Applicable**;
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 – **Not Applicable**;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- **Not Applicable**;
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- **Not Applicable**;

*The Company being a material subsidiary of Shriram Pistons & Rings Limited (SPRL), some of the employees and directors of the Company have been categorized as Designated Persons and are covered by the code of conduct of SPRL under the SEBI (PIT) Regulations, 2015.

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

i. Secretarial Standards (SS-1) issued by The Institute of Company Secretaries of India with respect to Board Meetings; and

ii. Secretarial Standards (SS-2) issued by The Institute of Company Secretaries of India with respect to General Meetings.

As informed to us, there are no other Sector Specific Laws applicable to the company during the audit period. We have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. No changes took place in the composition of the Board of Directors and KMPs during the period under review.

Adequate notices are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent within time as prescribed under secretarial standard except for meetings held at shorter notice for which consent obtained from members and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions have been carried out unanimously. The members of the Board have not expressed any dissenting views on any of the agenda items during the period under review.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there have been enlisted major actions or events undertaken by the company which may have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, guidelines, standards, etc.:

(i) The Company completed acquisition of 62% equity shares of SPR Takahata Precision India Private Limited on 16.10.2023.

(ii) The members at the extra-ordinary general meetings approved alteration of Capital Clause of the Memorandum of Association by increasing the authorised share capital from Rs. 125,00,00,000/- to Rs. 285,00,00,000/- on 26.09.2023 and from Rs. 285,00,00,000/- to Rs. 355,00,00,000/- on 30.01.2024;

(iii) The Company became a material subsidiary of its holding company i.e. Shriram Pistons & Rings Limited, as per Regulation 16(1)(c) and Regulation 24(1) of Listing Regulations on 10.10.2023 and 22.02.2024 respectively.

(iv) The shareholding of the Company in one of its subsidiary companies, i.e. SPR EMF Innovations Private Limited increased from 51% to 66.42% pursuant to Rights Issue.

(v) The Company started its manufacturing operations on 27.03.2024 at its manufacturing facility situated at Pithampur, Madhya Pradesh.

FOR PG & ASSOCIATES
(Company Secretaries)
Unique Code No.: S2004UP073600
CS PREETI GROVER
(Proprietor)
FCS: 5862, C.P. No.: 6065
PEER REVIEW NO.: 772/2020

Place: New Delhi
Date: 06.05.2024
UDIN: F005862F000311277

Note: This report is to be read with our letter of even date which is annexed as "Annexure-A" and forms an integral part of this report.

Annexure-A

To
The Members,
SPR Engenious Limited
(CIN U29299DL2022PLC405090)
3rd Floor, Himalaya House,
23, K.G. Marg, New Delhi-110001

Auditor's responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS-1 to CSAS-4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and for which we relied on the report of statutory auditor.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
6. We have relied on the Management representation about the compliance of laws, rules and regulations and happening of events etc.
7. The agenda papers of the Board Meetings held during the year were not shared with us, thus could not be checked for audit purpose.

FOR PG & ASSOCIATES
(Company Secretaries)
Unique Code No.: S2004UP073600
CS PREETI GROVER
(Proprietor)
FCS: 5862, C.P. No.: 6065
PEER REVIEW NO.: 772/2020

Place: New Delhi
Date: 06.05.2024
UDIN: F005862F000311277

ANNEXURE - VIII TO BOARDS' REPORT

Form AOC-1

[Statement Pursuant to first proviso to Sub-Section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Part "A": Subsidiaries

Sr. No.	Particulars	Subsidiary 1@	Subsidiary 2*	Subsidiary 3**
1	Name of the subsidiary	SPR Engenious Limited	SPR EMF Innovations Private Limited *(Formerly EMF Innovations Private Limited)*	SPR Takahata Precision India Private Limited *(Formerly Takahata Precision India Private Limited)*
2	The date since when subsidiary was acquired	26.9.2022 (Date of Incorporation)	11.1.2023	16.10.2023
3	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Not applicable as reporting period of Holding and Subsidiary Companies are same i.e. from 1.4.2023 to 31.3.2024		
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable		
5	**Share capital:** Authorised share capital : Paid-up share capital :	 Rs. 355,00,00,000 Rs. 350,00,00,000	 Rs. 35,00,00,000 Rs. 17,51,70,820	 Rs. 195,00,00,000 Rs. 183,50,00,000
6	Reserves & surplus (Rs./Million)	(40.87)	754.98	(982.30)
7	Total assets (Rs./Million)	3639.36	1122.65	2287.54
8	Total Liabilities (Rs./Million)	3639.36	1122.65	2287.54
9	Investments (Rs./Million)	2507.08	316.23	-
10	Turnover/Total Income (Rs./Million)	34.37	142.57	2687.68
11	Profit before taxation (Rs./Million)	(5.99)	(60.78)	134.13
12	Provision for taxation (Rs./Million)	-	(3.41)	4.19
13	Profit after taxation (Rs./Million)	(5.99)	(57.37)	129.94
14	Proposed Dividend	NIL	NIL	NIL
15	% of shareholding	100	66.42*	62**

1. Names of subsidiaries which are yet to commence operations: NIL
2. Names of subsidiaries which have been liquidated or sold during the year: NIL
3. Names of subsidiaries which have been struck off during the year: NIL

@ Wholly owned subsidiary of the Company

* Holding 66.42% shares through SPR Engenious Limited, Wholly owned subsidiary.

** Holding 62% shares through SPR Engenious Limited, Wholly owned subsidiary.

Part "B": Associates and Joint Ventures

This is not applicable, as there are no Associate Companies or Joint Venture Companies of the Company.

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

New Delhi
May 13, 2024

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
CFO

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

General Disclosure Questions

I. Details of the listed entity

S.No.	Questions	Responses
1.	Corporate Identity Number (CIN)	L29112DL1963PLC004084
2.	Name of the Listed Entity	Shriram Pistons & Rings Limited
3.	Year of incorporation	1963
4.	Registered office address	3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi- 110001
5.	Corporate address	3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi- 110001
6.	E-mail	compliance.officer@shrirampistons.com
7.	Telephone	011-23315941
8.	Website	https://shrirampistons.com/
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited
11.	Paid-up Capital	Rs. 44,04,98,240/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	**Name:** Mr. Pankaj Gupta **Designation:** Company Secretary **Email:** compliance.officer@shrirampistons.com Phone: 011-23315941
13.	Reporting boundary	The Report is prepared on a standalone basis i.e. Shriram Pistons & Rings Limited ('SPRL' or 'the Company').
14.	Name of assurance provider	NA
15.	Type of assurance obtained	NA

II. Products/Services

16. **Details of business activities (accounting for 90% of the turnover)**

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
i)	Manufacturing & Sale of automotive components	Pistons, Piston Pins, Piston Rings, Engine Valves, Cylinder Liners etc.	95%

17. **Products/Services sold by the entity (accounting for 90% of the entity's Turnover)**

S. No.	Product/Service	NIC Code	% of total Turnover contributed
i)	Pistons, Piston Rings, Piston Pins, Engine Valves and Cylinder Liner	281; Sub-division: 2811	95%

III. Operations

18. **Number of locations where plants and/or operations/offices of the entity are situated**

Location	Current Financial Year	Previous Financial Year
National	14 (3 plants, 5 assembly units, 1 Head Office and 5 Regional Sales Office)	14 (3 plants, 5 assembly units, 1 Head Office and 5 Regional Sales Office)
International	-	-

19. **Markets served by the entity:**

a. Number of locations

Locations	Number
National (No. of States)	28 States and 8 Union Territories
International (No. of Countries)	45

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of Exports is 19% of the total turnover of the Company.

c. A brief on types of customers

SPRL's customers can be broadly classified into the following categories:

- Domestic: OEMs & Aftermarket
- International: OEMs & Aftermarket

IV. Employees

20. **Details as at the end of Financial Year: FY 2023-24**

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
i)	Permanent (D)	1367	1311	95.9	56	4.1
ii)	Other than Permanent (E)	22	21	95.5	1	4.5
iii)	Total employees (D + E)	1389	1332	95.9	57	4.1
Workers						
iv)	Permanent (F)	2520	2520	100.0	-	-
v)	Other than Permanent (G)	4338	4203	96.9	135	3.1
vi)	Total employees (F + G)	6858	6723	98.0	135	2.0

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently-abled employees						
i)	Permanent (D)	2	2	100	-	-
ii)	Other than Permanent (E)	-	-	-	-	-
iii)	Total Employees (D + E)	2	2	100	-	-
Differently-abled workers						
iv)	Permanent (F)	5	5	100	-	-
v)	Other than Permanent (G)	20	20	100	-	-
vi)	Total Employees (F + G)	25	25	100	-	-

21. **Participation/Inclusion/Representation of women**

	Total (A)	No. of Females (B)	No. Females (B/A)
		(B)	(B / A)
Board of Directors (BOD)	10*	2	20%
Key Management Personnel (KMP)	4**	-	-

*Besides the above, there are two (2) Alternate Directors

**KMP includes MD & CEO and Whole Time Director which are also included under BOD

22. **Turnover rate for permanent employees and workers**

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13%	12%	13%	13%	22%	13%	10%	9%	10%
Permanent Workers	3%	-	3%	2%	-	2%	2%	-	2%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. **Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the Holding/ Subsidiary/Associate Companies/Joint Ventures (A)	Indicate whether Holding/Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity?
i)	SPR Engenious Limited	Wholly-owned Subsidiary	100.00	No
ii)	SPR EMF Innovations Private Limited (SPR-EMFI) *(formerly EMF Innovations Private Limited)*	Step-down Subsidiary*	66.42	No
iii)	SPR Takahata Precision India Private Limited (SPR-TPIPL) *(formerly Takahata Precision India Private Limited)*	Step-down Subsidiary*	62.00	No

Note: SPRL acquired the equity stake in 'SPR-EMFI' & 'SPR-TPIPL' through its wholly-owned subsidiary SPR Engenious Limited*

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 : Yes

(ii) Turnover (in Rs.) : Rs. 29,537 Million

Net worth (in Rs.) : Rs. 19,499 Million

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder Group	Grievance Redressal Mechanism in Place *(Yes/No) (If Yes, then provide web-link for grievance redress policy)*	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, https://shrirampistons.com/contact-page/	Nil	Nil	-	Nil	Nil	-
Investors (other than shareholders)	Yes, https://shrirampistons.com/investors-guide-2/ under Contact details of Official for assisting and handling investor grievances	Nil	Nil	-	Nil	Nil	-
Shareholders	Yes, https://shrirampistons.com/contact-page/ Additionally, shareholders can lodge complaints by emailing at compliance.officer@shrirampistons.com or to the Registrar and Share Transfer Agent (RTA) who principally is responsible for managing the share related affairs by emailing at csg-info@alankit.com	Nil	Nil	-	Nil	Nil	-
Employees and workers	Yes, the Whistleblower Policy has been formulated with a view to provide a mechanism for directors, employees and other stakeholders of the Company to approach the Chairperson of the Audit Committee of the Company or other channels set out in this policy, to report violations of the Code of Conduct or any other grievances	Nil	Nil	-	Nil	Nil	-
Customers	Yes, https://shrirampistons.com/contact-page/	50	Nil	Refer Note(1)	77	-	Refer Note(1)
Value Chain Partners	Yes, https://shrirampistons.com/contact-page/	Nil	Nil	-	Nil	Nil	-

Notes:

(1) Considering the normal turnaround time required to resolve consumer complaints, all the complaints have been resolved during the year for all the businesses up to customer satisfaction.

(2) The Company's "Vigil Mechanism/Whistle Blower Policy" encourages all the Whistle-Blowers [directors and employees of SPRL (including outsourced, temporary and on contract personnel), stakeholders of the Company, including vendors] to report any kind of misuse of company's properties, mismanagement or wrongful conduct prevailing/executed in the Company. The policy can be accessed at https://shrirampistons.com/pdf/ig/Whistle_Blower_Policy.pdf.

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same and approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
i)	Threat to IC Engine due to Electrification and changes due to Advancement in Alternate Fuels	Risk & Opportunity	Government push towards electrification & use of alternate fuels in vehicles to reduce carbon imprint	• Offer new products for electric mobility through its subsidiary • Capture higher market share by continuously upgrading product technology to meet alternate fuel engine specifications • Increase sales in replacement markets • Create flexibility in production facilities	• Opportunity to increase sales and profits by designing niche products for alternate fuels IC engines and also make inroads in the electric vehicle market & new areas based on products offered by subsidiaries • Opportunity to increase sales and profits by creating technology differentiators, reworking pricing strategy and adopting an asset light model in manufacturing

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
ii)	Disruption in Operations due to these factors can have an adverse impact on Company	Risk	Disruptions in supply chain due to ongoing geopolitical situation and its impact on economy	• Localization of critical imported items • Inventory management • Optimise production linked remuneration model	Any disruption in supply chain can have adverse impact on Company's Operations. This is being effectively mitigated by taking all necessary measures
iii)	Natural Calamities, Fire & Environmental Issues	Risk	Disruption in operations due to these factors can have an adverse impact on Company	• Meet & exceed statutory requirements • Reservoirs with dewatering pumps to counter flooding, condition monitoring through thermal imaging, load monitoring to ensure fire safety • Fire risk assessment carried out and all gaps closed	• Any disruption in operations can lead to setback in achieving long term goals of the Company • De-risking by starting production at new location
iv)	Cyber Security	Risk	Information relating to Company's operations, business partners, is available on various software being used	• Getting cyber risk assessment done. • Implementation of business continuity plans. • Data centre security & network security by having physical access controls. • Configuration of password policy in SAP/ non SAP system • Awareness sessions & quizzes being conducted to raise awareness among employees regarding online scams	• Cyber risk assessment by independent party has been done to mitigate the risk. All precautions to ensure hardware and software safety are being undertaken • Building a very strong firewall – for both incoming and outgoing data
v)	Environment Social Governance (ESG)/ SDG Goals	Risk & Opportunity	Analysing environmental risks such as climate change, resource scarcity, social risks such as high sensitivity about labour practices & human rights, lack of diversity & inclusion and governance risks such as unethical business practices, failure to integrate ESG into corporate strategy	Implementing sustainable practices, regular assessment and establish a dedicated ESG committee responsible for overseeing ESG integration	• By prioritizing ESG considerations, Company experience improved risk management, enhanced operational efficiency and increased investor confidence, leading to sustainable long-term financial gains • ESG goals are being tracked by management regularly

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs.	Yes								
b. Has the policy been approved by the Board?	Yes								
c. Web Link of the Policies, if available	https://shrirampiston.com/investors- guide-2/								
2. Has the entity has translated the policy into procedures?	Yes								
3. Do the enlisted policies extend to your value chain partners?	Yes								
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 14001 ISO 45001 IATF16949								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	• Maximize the use of solar power & maximize heat recovery • Minimize groundwater extraction, become net water positive • Compliance with all government rules and regulations • To achieve carbon neutrality by 2045								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	• 19% of total electricity requirement in Ghaziabad plant met by Solar Power and additional 16% requirement will be met by Solar by next year. • For Bulandshahr Road plant, 40% of total electricity requirement will be met by Solar Power from next year. • Rooftop Solar Power is being implemented in Pathredi Plant. Phase 1 will be implemented during FY 2024-25. • RO System of 200 KLD at Ghaziabad & 400 KLD at Pathredi plant installed to maximise recycling of water and to minimise water extraction. Both the plants are Zero Liquid Discharge plants. • All environment related authorizations/ approvals are in place • Current carbon footprint intensity is 18.74 TCO_2 Eq/ Lac Rs. of production against last year of 22.42 TCO_2 Eq/ Lac Rs.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	At Shriram Pistons & Rings Limited, we recognize that our business activities have a significant impact on the environment and society. As a responsible corporate citizen, we are committed to promoting sustainable development and reducing our carbon footprint. We are committed to reducing our greenhouse gas emissions and promoting the use of renewable energy sources. We are planning to use more than 1/3rd of our energy requirement through renewable sources in all our plants and are actively looking to increase this further. We have also implemented energy-efficient practices and are exploring innovative technologies to reduce energy consumption and improve energy efficiency including heat recovery. We have stopped using wooden pallets in all our plants and replaced them with Plastic/Coco pallets. We have also experimented with Coco pallets for Customer dispatches with encouraging results.								

	We also recognize the importance of ethical labour practices and are committed to ensuring that our employees are treated with dignity and respect. We provide our employees with a safe and healthy work environment and offer training and developmental opportunities to help them grow to their full potential. We conduct regular social interactions and open houses to hear the views of our employees and act on their suggestions. In addition, we are committed to supporting local communities and creating social value through our business activities. We engage with our stakeholders to understand their needs and concerns and work collaboratively to address them. We are working towards providing support to local communities in the areas of Healthcare, Education, Skill Enhancement & Women Empowerment. We endeavor to work towards the betterment of the marginalized section of the society. We believe that transparency and accountability are essential to our sustainability efforts and we are committed to maintaining open and transparent communication with all our stakeholders. We regularly monitor and report on our sustainability performance and strive to continually improve practices and reduce environmental impact. We believe that sustainability is not just a corporate responsibility but also an opportunity to create long-term value for all stakeholders. We are committed to promoting sustainable development and making a positive impact on society.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies)	Board of Directors
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? If yes, provide details.	Yes Shriram Pistons & Rings Limited has established a steering committee, led by the MD & CEO and comprises of Executive Director - Works (Ghaziabad/Pathredi), Executive Director - Marketing, CFO, CHRO, Head Legal & Compliance Officer and Dy. Executive Director SCM, to oversee the organization's sustainability efforts. The committee is responsible for making decisions related to the organization's sustainability goals, performance, and future measures.

10. Details of review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/ Any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The Managing Director & CEO review the performance of the systems and processes in place for NGRBC related principles. The Audit Committee reviews the performance and grievance redressal mechanisms as per the Code of Conduct of the Company.									Ongoing basis								

Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with all the applicable statutory requirements and rectifies, non-compliance, if any. This is reviewed by the Audit Committee.	Quarterly and as & when required as per statutory requirements

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
No, however, as a part of the oversight of the internal financial controls in the Company, the Management and Audit Committee reviews the adherence to the stated policies in the Company. The Internal Audit function assists the Audit Committee with the above.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any Other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	7	Outlook of the automotive industry, governance and regulatory compliance requirements, global financial, business trends, CSR and financial reporting, whistle blower, awareness/ compliances of related party transactions, policy on materiality of events, risk management, cyber security risk and ESG commitments.	100%
Key Managerial Personnel	Being done on a regular basis	Updates and awareness related to regulatory changes are provided for the benefit of the Key Managerial Personnel. Topics covered include: Corporate Governance, Companies Act, 2013, SEBI regulations as applicable to the Company, ESG matters, cyber security risk, Code of Conduct, PERCOM Competency Pillar (Performance Management System), Whistle Blower Policy, Prevention of Sexual Harassment, HR Policies, Employee Welfare, Global and National financial updates , Global Business Trends, financial reporting, Awareness/ Compliances of Related Party Transactions, Insider Trading Compliances, Policy on Materiality of events and information to be reported to the stock exchanges etc.	100%

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Employees (other than BoD and KMPs)	174	6Ps Awareness, Awareness of POSH, Hazard Identification & Risk Assessment, Emergency Preparedness, ESG, Product, awareness on ISO 14001 & 45001, Root Cause Analysis, Core Quality Tools, Cyber Security & IT Systems, TPM, Goal Setting Process, Finance for Non-Finance, Managerial Effectiveness, Strategic Planning & Goal Setting, ESS Training, Insider Trading Compliances, Handling Customer Complaints, Team Building, Well being.	95%
Workers	1748	Behaviour Based Safety, Fire Fighting & Emergency Preparedness, Personal Protective Equipment, Hand Safety & Chemical handling, Discipline/Teamwork, Competency Building on Factory Laws, Breaking Unconscious Bias, Healthy Mind & Healthy Diet, Happiness at the workplace, Measuring Instrument, Calibration, Role of Associate in quality improvement journey.	73%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principles	Name of the regulatory / enforcement agencies / judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred?
Penalty/ Fine	NIL				
Settlement					
Compounding fee					
Non-Monetary					
Imprisonment	NIL				
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

As part of Company's Code of Conduct, we have established anti-corruption and anti-bribery guidelines. All employees, the Board of Directors and senior management are considered under the policy. According to the policy, employees are prohibited from offering or receiving bribes in the form of gifts, donations, hospitality, or entertainment from the Company's current or potential suppliers, customers or third parties with business dealings under any circumstances. To demonstrate their understanding of the policy and pledge to follow its guidelines, all employees are encouraged to attend training sessions on it.

The web-link of our code of conduct policy is: https://shrirampiston.com/investors-guide-2/.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption**

	FY 2023-24	FY 2022-23
Directors	NIL	NIL
KMPs		
Employees		
Workers		

6. **Details of complaints with regard to conflict of interest:**

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	-	NIL	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. **Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not applicable

8. **Number of days of accounts payables (Accounts payable *365)/(Cost of goods/services procured) in the following format.**

	FY 2023-24	FY 2022-23
Number of days of accounts payables	103	115

9. **Open-ness of business:**

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	2.24%	1.84%
	b. Number of trading houses where purchases are made from	3	3
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	100%	100%
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	30.10%	29.60%
	b. Number of dealers / distributors to whom sales are made	1140	1350
	c. Sales to top 10 dealers/distributors as % of total sales to dealers / distributors	44%	44%
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	5.27 %	5.50 %
	b. Sales (Sales to related parties/Total Sales)	0.17 %	0.13 %
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	-	-
	d. Investments (Investments in related parties/Total Investments made)	88.56 %	62.40 %

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year**

The Company is committed to conducting business in an ethical, fair, legal, socially and environmentally responsible manner. The Company's business partners are an integral part of the ecosystem and the Company encourages its business partners to be responsible corporate citizens. The Company has in place a documented Code of Conduct for Suppliers to emphasize its commitments in the areas of business integrity, human rights, labour practices, environment stewardship, etc.

All the agreements/contracts/purchase orders entered into by the Company with the business partners include stated confirmation on the above-mentioned aspects. The Code of Conduct for Suppliers is available at https://shrirampistons.com/pdf/Suppliers-code-of-conduct.pdf. The process of holding discussions and conducting awareness sessions with our value chain partners on these principles has been initiated.

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
32	Safety, Legal Aspects, Health, Environment & Women Hygiene	70%

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? If Yes, provide details of the same.**

Yes. The Company has established stringent procedures to prevent Board members from engaging in conflicts of interest. The Board's Code of Conduct, Code on Prevention of Insider Trading and Policy on Related Party Transactions provide guidelines for avoiding conflicts of interest and are applicable to all Directors. In accordance with the policy, Senior Management and Board Members do not participate in any circumstance in which they may have a conflict of interest with the Company and they confirm such status to the Board annually.

The goal of the Policy on Related Party Transactions is to make sure that all transactions between the Company and related parties are properly reported, approved and disclosed. The Director who is concerned or interested cannot discuss or approve contracts or arrangements with related parties.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Particulars	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	100%	100%	The Company has an in-house Research & Development (R&D) facility where experts work on various innovations/technologies including finding pathways for bringing on more sustainable and environment-friendly products.
Capex	11%	7%	The capital spending includes investments in renewable energy, installation of environment monitoring systems, expenditure on energy-efficient equipment, waste reduction & treatment infrastructure, automation of laborious activities and improvement of safety infrastructure among others. For more specific details, please refer to Annexure- III of the Board's Report.

2. **Does the entity have procedures in place for sustainable sourcing? If yes, what percentage of inputs were sourced sustainably?**

Yes, the Company has established a Sustainable Supplier Assessment Framework. Sustainable sourcing is done for purchase (about 60% by value) from suppliers, who are either certified for ISO 14000 or OHSA 18000.

Company strives to procure components without compromising on quality. It has been encouraging and supporting its suppliers towards meeting all Regulatory compliance aspects.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

We have ideal waste management practices in place for plastics, e-waste, and hazardous waste. We work with certified partners to co-process waste.

Waste is collected, dismantled, segregated and stored based on the category of waste, with hazardous waste disposed of within 90 days. All waste is disposed of for recycling or final disposal in accordance with generation, accumulation and safety standards. The following is the disposal process for the various types of waste:

Plastic Waste: The Company has been registered as a brand owner and importer with CPCB under the EPR obligation as part of compliance under the Plastic Waste Management Rules. The Company has engaged Plastic Waste Reprocessing agencies authorized by CPCB for the recycling of plastics waste.

E-waste: Disposed off to the authorized party for re-cycling

Hazardous Waste:

- Oily Cotton Rags - Disposed off to the authorized party for Co-processing
- Grinding Sludge - Disposed off to the authorized party for treatment & recycling
- ETP Sludge - Disposed off to the authorized party for Co-processing
- Used/ Waste Oil - Disposed off to the authorized party for incineration
- Empty Container - Disposed off to the authorized party for treatment & recycling
- Multi Effect Evaporator Salt - Disposed off to the authorized party for landfilling at Government authorized site
- Aluminum Dross - Disposed off to the authorized party for recycling

Other Waste: All other non-hazardous waste is sold off to established scrap dealers.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, EPR is applicable to the Company under PWM Rules, 2016. The Plastic packaging introduced into the market is recycled through the CPCB (Central Pollution Control Board) authorized plastic waste re-processors. During the year, 100% of the plastic packaging introduced into the market was recycled by the plastic waste re-processing agencies.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

Yes,

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Was it conducted by an Independent external agency	Have results been communicated in public domain	If yes, provide the web-link
281	Pistons, Piston Rings, Piston Pins, Engine Valves	95	Cradle to Gate	No	No	-

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
Chromic acid	Health & Safety Risk	Chromic acid is used in the surface coating process. The effluent generated from the process is treated chemically at ETP. The sludge thus generated is packed in HDPE bags and sent to the authorised TSDF site for further treatment and disposal.

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate Input Material	Recycled or re-used material to total material	
	FY 2023-24	FY 2022-23
Raw Material - Ferrous/Non-Ferrous	68%	50%

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled and safely disposed, as per the following format:**

	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
	Tons	Tons	Tons	Tons	Tons	Tons
Plastics (including packaging)	144	-	-	130	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Plastic Bin/ Pallet	52%

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. **Well-being of employees and workers**

   a. **Details of measures for the well-being of employees**

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	1311	1311	100	1311	100	-	-	-	-	-	-
Female	56	56	100	56	100	56	100	-	-	56	100
Total	**1367**	**1367**	**100**	**1367**	**100**	**56**	**4**	**-**	**-**	**56**	**4**
Other than Permanent Employees											
Male	21	21	100	21	100	-	-	-	-	-	-
Female	1	1	100	1	100	1	100	-	-	1	100
Total	**22**	**22**	**100**	**22**	**100**	**1**	**5**	**-**	**-**	**1**	**5**

b. **Details of measures for the well-being of workers:**

Category	Total (A)	% of Workers covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	2520	2520	100	2520	100	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	2520	2520	100	2520	100	-	-	-	-	-	-
Other than Permanent Workers											
Male	4203	4203	100	4203	100	-	-	-	-	-	-
Female	135	135	100	135	100	135	100	-	-	135	100
Total	4338	4338	100	4338	100	135	3	-	-	135	3

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent)**

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	**0.07%**	**0.05%**

2. **Details of retirement benefits**

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as % of total employees	No. of workers covered as % of total workers	Deducted and deposited with the authority (Y/N/N.A)	No. of employees covered as % of total employees	No. of workers covered as % of total workers	Deducted and deposited with the authority (Y/N/N.A)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	100	100	Yes	100	100	Yes
Others-please specify	-	-	-	-	-	-

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

Yes, in accordance with requirements, the necessary arrangements are made to promote accessibility for employees and workers with disabilities.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy**

Yes, the Company has a policy on equal opportunity and non-discrimination titled "Equal Opportunity Policy as per the Rights of Persons with Disabilities Act, 2016" which is available on the website at https://shrirampistons.com/investors-guide-2/ under the "Policies" tab.

5. **Return to work and Retention rates of permanent employees & workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	N/A	N/A	N/A	N/A
Female	50%	100%	100%	100%
Total	**50%**	**100%**	**100%**	**100%**

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No (If Yes, then give details of mechanism in brief)
Permanent Worker	Yes, an approved Grievance Committee of 20 members, including workers and staff from each plant has been set up, so that the entire plant is covered. The monthly meeting is conducted in which grievances are noted by each plant representative. The issues are further escalated to the concerned Department for resolving within the defined time frame. The status of resolved or pending issues are informed to all concerned.
Other than Permanent Worker	
Permanent Employees	
Other than Permanent Employees	

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2023-24			FY 2022-23		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	1367	-	-	1364	-	-
-Male	1311	-	-	1305	-	-
- Female	56	-	-	59	-	-
Total Permanent Workers	2520	2520	100	2597	2597	100
- Male	2520	2520	100	2597	2597	100
- Female	-	-	-	-	-	-

8. **Details of training given to employees and workers:**

Category		FY 2023-24				FY 2022-23				
	Total (A)	On health & safety measures		On skill up-gradation		Total (D)	On health & safety measures		On skill up-gradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	1332	827	62	1142	86	1307	809	62	1118	86
Female	57	24	42	35	61	57	23	40	24	42
Total	1389	851	61	1177	85	1364	832	61	1142	84
Workers										
Male	6723	2561	38	5401	80	6965	3513	50	4769	68
Female	135	92	68	99	73	55	32	58	49	89
Total	6858	2653	39	5500	80	7020	3545	51	4818	69

9. **Details of performance and career development reviews of employees and worker:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1332	1318	99	1307	1305	99
Female	57	57	100	57	59	98
Total	1389	1375	99	1364	1364	99

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Workers						
Male	6723	6268	93	6965	5844	85
Female	135	133	99	55	-	-
Total	6858	6401	93	7020	5844	84

10. Health and safety management system

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No) If yes, the coverage of such a system

Yes, we have implemented Management System ISO 45001:2018 for Health & Safety, covering all the processes in the manufacturing of Products. All employees are covered under this system. At each of our locations, we have a well-established EHS function that effectively facilitates the implementation of all occupational health and safety policies and procedures. In addition, in order to steer site-level safety initiatives, each location has a Safety Committee that includes employees and senior management from the plant. The Company's EHS team reviews and monitors safety performance on a regular basis using specific leading and trailing indicators.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has a Health and Safety Policy. The health and safety guidelines are applicable to all operating locations of the Company and lay down the required parameters to be followed at all the locations. Some of the key processes for identifying work-related hazards and assessing risks on a routine and non-routine basis are given below:

i) Process of Hazard Identification and Risk Assessment at regular intervals

ii) Process of Safety Audit & Inspections

iii) Process of seeking employee suggestions

iv) Process of engaging employees in safety activities through safety meetings, communication meets, tool box talks & celebration of events like safety month.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks (Y/N)

Yes, the Company has a safety incident reporting system that allows workers and employees to report accidents, near misses and identified safety hazards (unsafe acts and unsafe conditions) to the EHS department, toolbox talks and site-level safety committees.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Y/N)

Yes, workers and employees have access to non-occupational medical and healthcare services. Employees receive free diagnostic camps, awareness programs, and regular medical examinations.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	0.90
	Workers		0.21
Total recordable work-related injuries	Employees	NIL	-
	Workers		4
Number of fatalities	Employees	NIL	-
	Workers		-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	-
	Workers		-

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy work place

In line with the Company's Health and Safety Policy, there are various measures taken to ensure access to a safe and healthy work-place to all employees and workers. The Company invests in technologies and processes to avoid and minimize the manual interface with machines. The Company ensures that all statutorily required norms are complied with and gets safety audits done for validation.

Further, the Company endeavors to design any new facility by using the latest technology and include all possible safety measures such that there is near zero risk to human health. The Company recognizes its workforce as the most valued asset and is dedicated to ensuring their safety and well-being. Measures have been implemented at all locations to provide everyone with a safe working environment. The following measures are implemented to ensure a safe working environment:

i) Medical Insurance coverage is provided to all employees.

ii) First Aid and other medical services are readily available for all personnel at all location.

iii) The Company believes in training its personnel on the best safety procedures and skills to ensure that they carry out their duties in an efficient and safe manner.

iv) Occupational Health is another aspect that is carefully monitored to ensure that all processes are safe and do not pose potential harm to the health of its personnel.

v) Inspection Systems are put in place and regular audits are conducted to identify any potential shortcomings of the processes and ensure that any and all potential safety and health issues are mitigated.

13. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the Year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	5	NIL	-	2	NIL	-
Health & Safety	-	NIL	-	1	NIL	-

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

The Company continuously monitors and assesses its health and safety practices and working conditions. Investigation is conducted in case any incident is reported using various methodologies to identify the root cause. The investigation team presents corrective and preventive measures which is reviewed at various levels by the management. Such corrective actions are then deployed horizontally across locations. A few of the actions to improve Safety conditions at the shop floor are as follows:

i) Static charge dissipater installed for fire prone areas

ii) Addition of Hose reels at specific locations

iii) Hand railing around fire extinguishers to prevent hit incidents

iv) Provision of fire suppression system in the exhaust ducts

v) Acoustic enclosure on vibrating machines, etc.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).?**

Employees	Yes
Workers	Yes

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

Company conducts due diligence from time to time to ensure that partners in the value chain deduct and deposit required statutory fees. Additionally, this is examined as part of Company's internal audit process. Business agreements with value chain partners mandates that the value chain partners comply with all the statutory laws, Regulations and rules made thereunder. In addition, we regularly interact with partners in the value chain to educate them about responsible business practices and guarantee their compliance with statutory requirements like these.

3. **Provide the number of employees / workers having suffered high consequence work- related injury / ill- health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	NIL	NIL	NIL	NIL
Workers				

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Extensions/ Contractual employment is given to retiring employees on case to case basis. Additionally, medical insurance continuity is being provided for retirees.

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	79
Working Conditions	79
Note: The Company has assessment system which includes Health & Safety condition and Working Condition during new vendor registration and also included in the General Terms & Conditions of the agreements.	

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

No significant risks or concerns were identified from assessment of health and safety practices and working conditions of value chain partners. However, necessary corrective and preventive actions were taken, wherever necessary, to improve the health and safety practices and working conditions of value chain partners.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity**

Enhancing stakeholder value is at the heart of management strategy. By regularly engaging with stakeholders to comprehend their distinct requirements, interests and expectations, we foster close collaboration with them. We constantly reach out to our internal and external stakeholders through a variety of channels as we recognize that value is created not only within the organization but also through relationships with others. Stakeholders were selected based on their influence (via internal decisions and policies) on the Company and impact on their business due to the Company's business choices and the implications of those decisions. The Company has identified both internal stakeholders (employees, senior management and the Board of Directors) and external stakeholders (value chain partners, consumers and the community at large).

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	E-mails, Internal newsletters, Communication meetings, Leadership site visits and interactions, Employee engagement survey, Induction and regular training programmes, Tool box talks, Regular drills on safety	Regularly	Vision and mission of the company, business performance and plans, welfare, health and safety of the employees and their families, assuring support of management to employees, work place hazards and controls, skill development, rewards and recognitions, sensitizing on core values.
Shareholders & Investors	No	Annual General Meeting, Corporate Website, Annual Report, Social Media Earning Calls (maiden call), Press Releases, Grievance Redressal Mechanism, Newspaper, Publications, Emails & Text Messages	Quarterly	Improved profitability and growth of organization, transparent and effective communication, investor servicing, sound corporate governance mechanisms
Regulatory Bodies	No	Periodic Reports, Regular direct and indirect interactions through industrial associations and other bodies	Monthly/Annually	Compliance of rules and regulations, submission of reports under various statutes at specific intervals and response to any issues raised by Government/ regulatory authority.
Communities	Yes	Open dialogue with local communities, Need based surveys to understand the community requirements, Awareness meets and Health camps	Regular engagement	Health and hygiene in rural community, education & infrastructure and water conservation
Value Chain Partners	No	Regular meeting with the Suppliers, Plant visits, Interactions on a regular basis	Regular engagement	Share best practices among industries, competency development of local vendors, rewards and recognitions
Customers	No	Regular personal interactions and discussions, Market surveys, Customer surveys, Plant visits	Regular engagement	Prompt response to customer complaints, focus on product/service quality and timely delivery, building trust among the customers

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The review of all shareholder related matters are reviewed by the Stakeholders Relationship Committee (SRC) and the Corporate Social Responsibility (CSR) programmes of the Company are reviewed by the Corporate Social Responsibility Committee of the Company. The Board is kept abreast of various developments and feedback on the same is sought from the Directors.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity**

Yes, the Company undertakes consultation with stakeholders to help identify and prioritize environmental and social issues as part of its CSR activities.

3. **Provide details of instances of engagement with and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

The Company identifies the needs of communities including vulnerable and marginalised groups and accordingly takes up various programs under Corporate Social Responsibility initiatives. The initiatives undertaken by the Company under the thrust areas of Corporate Social Responsibility are after assessing the need of the communities including the vulnerable/ marginalised stakeholder groups and other members of the community. The Company has undertaken activities in the areas of healthcare including preventive healthcare, old age home development, education support to the students, skill development training, support to specially-abled groups, women empowerment and rural development.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	1367	695	51	1364	569	42
Other than Permanent	22	8	36	17	12	71
Total Employees	**1389**	**703**	**51**	**1381**	**581**	**42**
Workers						
Permanent	2520	2520	100	2597	2597	100
Other than Permanent	4338	3925	90	4423	3963	90
Total Workers	**6858**	**6445**	**94**	**7020**	**6560**	**93**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	1367	2	0.1	1376	99.9	1364	-	-	1364	100
Male	1311	2	0.1	1315	99.9	1305	-	-	1305	100
Female	56	-	-	61	100	59	-	-	59	100
Other than Permanent	22	-	-	22	100	17	-	-	17	100
Male	21	-	-	21	100	14	-	-	14	100
Female	1	-	-	1	100	3	-	-	3	100
Workers										
Permanent	2520	-	-	2520	100	2597	-	-	2597	100
Male	2520	-	-	2520	100	2597	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent	4338	142	3	4196	97	4423	146	3	4277	97
Male	4203	140	3	4063	97	4368	144	3	4224	97
Female	135	2	1	133	99	55	2	4	53	96

3. **Details of remuneration/salary/wages**

a. **Median remuneration / wages:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD) (Non-Executive Directors)	10	Rs. 1.41 Mn.	2	Rs. 5.25 Mn
Key Managerial Personnel	4	Rs. 46.58 Mn.	-	-
Employees other than BoD & KMP	1311	Rs. 0.73 Mn.	56	Rs. 0.74 Mn.
Workers (Permanent)	2520	Rs. 0.46 Mn.	-	-

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2023-24	FY 2022-23
Gross wages paid to females as % to total wages	**2.30%**	**1.40%**

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, Ms. Poonam Bharti, the Chief Human Resources Officer of the Company, is responsible for addressing any human rights issues caused or contributed by the business. The Company has a Human Rights Policy which can be accessed at the Company's website at https://shrirampistons.com/investors-guide-2/ under the "Policies" tab. The objective of the policy is to promote and protect human rights within the organization and across business operations and supply chain. The Company is committed to upholding the fundamental principles of human rights, ensuring fair treatment, dignity and equality for all individuals associated with the Company, including employees, contractors, customers and stakeholders. Through this policy, the Company aims to create a positive and inclusive work environment while respecting and supporting human rights as defined by international laws and conventions.

In addition to the above, an ESG Steering Committee under the social pillar has a meeting every quarter to address human rights impacts or issues caused or contributed by the business.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues**

The Company is committed to providing a safe and conducive work environment to all of its employees and workers. Transparency and openness are organizational values and are practiced across all levels. Employees are encouraged to share their concerns with their reporting manager or the members of the Senior Management. Employees can reach out independently to the Human Resource department if they so choose. The Company has an open-door approach, wherein any employee irrespective of hierarchy has access to the Senior Management. In addition, the Code of Conduct for Employees and the Whistle Blower Policy allows all our employees to report any kind of suspected or actual misconduct in the organization in an anonymous manner including grievances related to human rights issues.

6. **Number of Complaints on the following made by employees and workers:**

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour/ Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other Human rights related issues	Nil	Nil	-	Nil	Nil	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

The Company believes in the principle of natural justice and ensures that full confidentiality of the complainant is maintained during and after the resolution of the complaint. Such complaints are usually handled by senior members of the organization. These members are trained on aspects like how such complaints must be handled, the rights of complainants and manner of dealing with complaints and respondents, sensitivity and judgment to be applied on such matters.

The members handling such complaints maintain full confidentiality to protect the complainant during as well as after closure of complaints. The complainant is protected against any adverse action not limited to harassment, unfair termination of employment, demotion, suspension and biased behavior.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, all critical human rights requirements are part of business agreements and Contracts/Code of conduct with the business partners. Further, the Code of Conduct for Business Partners is applicable to all the suppliers and service providers according to which suppliers are expected to respect human rights and avoid causing/contributing to human rights infringements through their business actions.

10. Assessments for the year:

	% of Plants/ Offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100
Forced/ Involuntary Labour	100
Sexual Harassment	100
Discrimination at workplace	100
Wages	100
Others- please specify	-

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No significant deviations were observed in relation to aspects described in Question 10 above.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

During the reporting period, no business processes have been modified or introduced for addressing human rights grievances/ complaints as there was no complaint/grievance related to human rights during the year.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The Company recognizes the upholding of human rights as an integral aspect of doing business and has implemented systems and controls to ensure the protection of human rights. The company strictly prohibits the engagement of child labour and controls ensure that individuals below 18 years of age cannot be on-boarded onto the Manpower system. Furthermore, the Company does not engage in forced labour practices. Salaries of all employees are deposited directly into their bank accounts.

The Company works towards providing equal employment opportunities, ensuring distributive, procedural & interactional fairness, creating a harassment-free, safe environment and respecting fundamental rights. As an equal opportunity employer, meeting or exceeding minimum wages and no discrimination is tolerated in any aspect. Any identified risks are dealt with corrective actions and closely monitored for progress at periodic frequencies.

Further, the Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. Internal Complaints Committee ('ICC') is in place for all works and offices of the Company to redress complaints received regarding sexual harassment.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, in accordance with requirements, the necessary arrangements are made to promote accessibility for employees and workers with disabilities.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done) assessed
Sexual Harassment	77
Discrimination at workplace	77
Child Labour	77
Forced/Involuntary Labour	77
Wages	77
Others – please specify	-

5. Provide details of any corrective actions taken or underway to address significant risks /concerns arising from the assessments at Question 4 above.

No significant deviations were observed in relation to aspects described in Question 4 above.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	9,45,80,788 MJ	3,16,53,763 MJ
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	**9,45,80,788 MJ**	**3,16,53,763 MJ**
From non-renewable sources		
Total electricity consumption (D)	58,90,21,262 MJ	62,44,13,675 MJ
Total fuel consumption (E)	8,43,55,540 MJ	7,16,90,971 MJ
Energy consumption through other sources (F)	-	-
Total energy consumed from non- renewable sources (D+E+F)	**67,33,76,802 MJ**	**69,61,04,647 MJ**
Total energy consumed (A+B+C+D+E+F)	76,79,57,590 MJ	72,77,58,406 MJ
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	**2,600 MJ / Lac Rs.**	**2,794 MJ / Lac Rs.**
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	59,488 MJ / Lac Rs.	63,920 MJ / Lac Rs.
Energy intensity in terms of physical output Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. **Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any**

No site/facilities of the Company is classified as designated consumer under the Performance, Achieve, and Trade (PAT) scheme.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by Source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	3,85,180	3,81,550
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**3,85,180**	**3,81,550**
Total volume of water consumption (in kilolitres)	3,66,585	3,43,983
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	**1,241.1 L/ Lac Rs.**	**1,320.5 L/ Lac Rs.**
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	28,396.5 L / Lac Rs.	30,212.4 L / Lac Rs.
Water intensity in terms of physical output(optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

4. **Provide the following details related to water discharged:**

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iv) Sent to third-parties	18,595 Kilo litre	37,567 Kilo litre
- No treatment	-	-
- With treatment - please specify level of treatment	18,595 Kilo litre Tertiary Treatment + RO	37,567 Kilo litre Tertiary Treatment + RO
(v) Others	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
Total water discharged	**18,595 Kilo litre**	**37,567 Kilo litre**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If Yes, provide details of its coverage and implementation.**

Yes, our plant operations in India are located in the state of Uttar Pradesh, which has become zero liquid discharge during the year & plant in Rajasthan is already a Zero Liquid Discharge plant. In addition, the effluent from the plants is treated in state-of-the-art ETP/STP and treated through RO system, the treated water is utilized for processes and secondary purposes such as toilet flushing and/or maintaining greenbelt development within the plant premises.

The management of treated effluents generated during the plant operations and their disposal is outlined in the individual plant operating consent orders issued by the respective State Pollution Control Boards, which our plants diligently adhere to. Aligned with these consent orders/authorizations, our plants have implemented comprehensive tertiary treatment to recycle treated effluents for process reuse.

Moving forward, our approach shall embrace a holistic perspective, encompassing all aspects of water sourcing and its efficient utilization. Our ongoing efforts are reducing freshwater usage by increasing treated water in our processes and for other sanitation purposes. Furthermore, efforts are on to increase water augmentation through rainwater harvesting and recharge within the plant and outside premises.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	Micrograms Per Cubic Meter	15.58	15.35
SOx	Micrograms Per Cubic Meter	6.84	6.16
Particulate matter (PM)	Micrograms Per Cubic Meter	26.40	26.57
Persistent organic pollutants (POP)	Micrograms Per Cubic Meter	-	-
Volatile organic compounds (VOC)	Micrograms Per Cubic Meter	-	-
Hazardous air pollutants (HAP)	Micrograms Per Cubic Meter	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

Yes, the results are certified by NABL approved third party lab i.e. Asia Enviro-lab.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	T CO_2e	11413.06	8932.64
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	T CO_2e	232336.35	246296.70
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	T CO_2e / Lac Rs.	0.82	0.98
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	T CO_2e / Lac Rs.	18.74	22.42
Total Scope 1 and Scope 2 emission intensity in terms of physical output Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, our organization is actively engaged in efforts to cut down on greenhouse gas (GHG) emissions from our business activities. We have launched a variety of initiatives to bolster our reliance on renewable energy. The below initiatives have resulted in a cumulative reduction of CO_2:

- The Company has converted 19% of daily energy consumption at one of its plant from thermal to an alternative renewable energy source i.e. solar energy, which is planned to increase to 35% by FY 2024-25
- Company plans to convert 40% of daily energy consumption from thermal to an alternative renewable energy source i.e. solar energy at its other plant
- Rooftop Solar Power is being implemented in Pathredi Plant. Phase 1 will be implemented during FY 2024-25
- Installation of Solar street lights thereby replacing LED light
- Replacement of conventional fans with BLDC fans
- Power saving by modification on machines and improving processes
- Energy saving on Holding furnaces by upgrading electrical controls at specific places and conversion from two-phase electric power to three-phase electric power
- Retrofitting of energy-efficient EC fans in comfort air cooling units and cooling towers
- Usage of PNG to reduce emissions
- Installation of intelligent evaporator for final water treatment
- Contactless temp monitoring system

9. Provide details related to waste management by the entity, in the following format

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	144.68 Metric Ton	119.45 Metric Ton
E-waste (B)	7.67 Metric Ton	5.40 Metric Ton
Bio-medical waste (C)	0.11 Metric Ton	0.03 Metric Ton
Construction and demolition waste (D)	324.00 Metric Ton	570.00 Metric Ton
Battery waste (E)	4.14 Metric Ton	8.79 Metric Ton
Radioactive waste (F)	-	-
Other Hazardous Waste. Please specify, if any. (G)	4255.81 Metric Ton	3800.78 Metric Ton
Other Non Hazardous Waste (H) Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	18161.46 Metric Ton	16412.89 Metric Ton
Total (A+B + C + D + E + F + G + H)	**22897.85 Metric Ton**	**20917.34 Metric Ton**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	77.52 Kg/ Lac Rs.	80.30 Kg/ Lac Rs.
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	1773.72 Kg/ Lac Rs.	1837.19 Kg/ Lac Rs.
Waste intensity in terms of physical output Waste intensity (optional) – the relevant metric may be selected by the entity	-	-

Parameter	FY 2023-24	FY 2022-23
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	14080.32 Metric Ton	13068.15 Metric Ton
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	**14080.32 Metric Ton**	**13068.15 Metric Ton**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	318.81 Metric Ton	180.93 Metric Ton
(ii) Landfilling	279.17 Metric Ton	317.39 Metric Ton
(iii) Other disposal operations	8143.21 Metric Ton	7304.62 Metric Ton
Total	**8741.18 Metric Ton**	**7802.94 Metric Ton**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We prioritize responsible waste management to reduce our environmental impact. We have a system in place to sort waste at generation place into categories like recyclables, organic matter & non-recyclables and we ensure proper disposal through vendors approved by the Pollution Control Board.

We also treat the wastewater produced at our facilities through an ETP and STP. The Company is dedicated to minimizing the use of toxic chemicals, including those used in STP operations and cleaning routines.

Waste management practices are governed by the Consent Orders and hazardous waste authorizations issued by the respective State Pollution Control Boards in our operational areas. Our operations are committed to driving initiatives focused on waste elimination, minimization and recycling in compliance with relevant legal requirements and available opportunities.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format

S.No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable					

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, the Company complies with the applicable environmental laws/ regulations/ guidelines.

S. No.	Specify the law/ regulation / guidelines which was not complied with	Provide details of the noncompliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information

i) **Name of the Area:** Pathredi, Rajasthan

ii) **Nature of Operations:** Manufacturing

iii) **Water withdrawal, consumption and discharge in the following format:**

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by Source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	1,14,746	98,732
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	**1,14,746**	**98,732**
Total volume of water consumption (in kilolitres)	**1,14,746**	**98,732**
Water intensity per rupee of turnover (Water consumed / turnover*)	388.48 L/ Lac Rs.	379.01 L/ Lac Rs.
Water intensity (optional) - the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
Total water discharged (in kilolitres)	**-**	**-**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the water audits have been carried out by PHD Chamber of Commerce as per the guidelines of CGWA.

2. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	NA	NA
Total Scope 3 emissions per rupee of turnover	NA	NA	NA
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	NA	NA	NA

Currently, Scope 3 emissions are not being monitored by the Company.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

No

3. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not applicable. The Company operates from sites which are located in industrial areas.

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
i)	Energy Conservation	- Wall Bracket fans replaced with BLDC fan motors - Thyristor based heating in furnaces - Heat load balancing in melting furnace	The use of the latest technology and solutions has resulted in a significant reduction in energy consumption.
ii)	Use of renewable energy	We have taken significant strides by enhancing the use of renewable energy within our organization.	Our strategic adoption of renewable energy sources has resulted in a significant reduction of our carbon emissions, exemplifying our dedication to environmental sustainability.
iii)	Recycling of wastewater	We have taken a significant step towards environmental conservation by installing in-house ETP/STP and RO water treatment plants to achieve zero liquid discharge status.	The recycling and re-using of processed water allows to reduce our water footprint and promote sustainable water management

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link**

Yes, the Company has a Business Continuity Plan (BCP) and disaster management plan designed to address the threat of disruptions to business activities or processes. Business Continuity Planning validates the adequacy of the existing systems and processes to prevent and recover from potential risks. It ensures continuity of delivery of products or services at pre-defined acceptable levels following a disruptive incident. Comprehensive Business Continuity Plans have been made covering all facets of operations and are being tested periodically. Risk mapping is one for all such risks based on their likelihood and impact. Audits and mock drills are regularly being carried out to make the system more robust and to check the healthiness of the emergency response procedure. Regular training is conducted for all the concerned on the use of equipment like fire extinguishers and First-Aid treatment.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

No, there is no significant adverse impact to the environment, arising from the value chain of the entity.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

We have assessed maturity and impact of 51.71% of raw material and packaging material suppliers.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. **a. Number of affiliations with trade and industry chambers/ associations :** 14

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations
i)	Confederation of Indian Industry (CII)	National
ii)	Indo-German Chamber of Commerce	International
iii)	Automotive Component Manufacturers Association of India	National
iv)	Engineering Export Promotion Council	National
v)	PHD Chamber of Commerce and Industry	National
vi)	Indian Trade Promotion Organisation	National
vii)	Association Chamber of Commerce & Industry of Uttar Pradesh	National
viii)	Aluminium Association of India	National
ix)	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
x)	The Associated Chambers of Commerce & Industry in India (ASSOCHAM)	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
NIL		

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

S.No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web Link, if available
Not applicable					

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year**

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes /No)	Results communicated in public domain (Yes /No)	Relevant Web link
The Company has not conducted any social impact assessment					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format**

S.No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
	Not Applicable					

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Company works closely with the community in the identified areas for carrying out the Corporate Social Responsibility initiatives. The Company's CSR department has a community feedback mechanism across all its CSR projects. Any aggrieved individual/group can express their grievances through this annual exercise or a when-required basis. Such mechanism provides people with ample opportunities to gauge and address community concerns.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	6.77 %	4.89 %
Directly from within India	79.10 %	77.85 %

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2023-24	FY 2022-23
Rural	**24%**	**22%**
Semi-urban	-	-
Urban	-	
Metropolitan	**76%**	**78%**
Total	**100%**	**100%**

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban/ metropolitan)

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies**

Not applicable

3. a. **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable groups? (Yes/No)**

No, we don't have a preferential procurement policy.

b. **From which marginalized/ vulnerable groups do you procure?**

The criteria for the selection of goods and services are quality, reliability and cost, the Company gives preference to diversified supply chain partners with micro and small scale industries that meet its quality, delivery, cost and technology expectations.

c. **What percentage of total procurement (by value) does it constitute?**

The Company's Responsible Sourcing Standard describes the requirements and ways of working that are applied together with the suppliers to ensure the sustainable long-term supply of materials and services to the Company.

While the criteria for selection of goods and services are quality, reliability and cost, the Company gives preference to diversified supply chain partners with micro and small-scale industries who meet its quality, delivery, cost and technology expectations.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge**

Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes/ No)	Basis of calculating benefit share
Not Applicable			

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
Not applicable		

6. **Details of beneficiaries of CSR Projects**

S.No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
i)	Healthcare	92,490	100%
ii)	Sanitation Initiatives	19,000	100%
iii)	Rural Development	12,850	100%
iv)	Education	3,800	100%
v)	Self-defence training for girls	1,200	100%
iv)	Vocational Skills Initiatives	140	100%
Besides the above, the Company has also undertaken projects viz. Heritage Preservation and Environment Preservation.			

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company treats customer complaints with utmost priority and believes that it needs to be agile, transparent and solution-oriented to resolve them efficiently and satisfactorily. The Company provides multiple avenues for customers to raise queries or complaints and provide feedback. The Sales/ QA team is in regular touch with the customers to ensure that timely resolution of customer queries is provided. Customers can also voice their concerns via a specific email address or phone number listed on the product packaging.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a % to total turnover
Environmental and social parameters relevant to the product	Nil
Safe and responsible usage	Being done wherever required
Recycling and/or safe disposal	100 %

3. **Number of consumer complaints in the previous financial year**

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	NA	NA	-	NA	NA	-
Restrictive Trade practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Other	Nil	Nil	-	Nil	Nil	-

4. **Details of instances of product recalls on account of safety issues**

	Number	Reasons for Recall
Voluntary Recalls	Nil	-
Forced Recalls	Nil	-

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, the Company has a policy on cyber security and risk related to data privacy.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services, cyber security and data privacy of customers, re-occurrence of instances of product recalls, penalty/ action taken by regulatory authorities on safety of products/ services.**

Not Applicable

7. **Provide the following information relating to data breaches:**

a. Number of instances of data breaches	Not Applicable
b. Percentage of data breaches involving personally identifiable information of customers	
c. Impact, if any, of the data breaches	

Leadership Indicators

1. **Channels/ platforms where information on products and services of the entity can be accessed (provide web link, if available).**

The platforms used for the information are the Company's website, Annual Report, social media platforms and media advertisement/ publications. Information relating to all the products and services provided by the Company is available on the Company's website at https://shrirampistons.com/.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

The Company undertakes extensive training of Channel Partners on the safe fitment of products. This training manual also forms part of product catalogue and a fitment guide also forms part of the overall packing of products. During the training with the Channel Partners, they are made aware of the safe usage of products.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Not Applicable

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes, the Company ensures that all the information required to be displayed on the product labels as per the applicable rules and regulations are properly displayed. Further, safe fitment information forms part of catalogue and is also mentioned on a slip in the packing box.

The Company constantly stays in touch with customers through extensive sales channel and is always abreast of all customer feedback. The Company has also conducted formal surveys as a part of quest to win the TPM Excellence Award from JIPM, Japan.

SPRL's Commitment Towards ESG

PRIORITIZING ECONOMY, ECOLOGY, AND OUR RESPONSIBILITY TO THE ENVIRONMENT, PEOPLE, AND FUTURE GENERATIONS.

At SPRL, we focus on reducing energy, water use, and emissions, using a CO2 balance sheet to track progress. We meet pollution standards, engage employees in sustainability, and collaborate with suppliers who share our commitment. Our efforts aim for long-term environmental goals.

Guiding Principles

We're committed to sustainability. We partner with eco-conscious suppliers, follow global environmental laws, and aim for long-term environmental goals.

USE OF ENERGY-EFFICIENT TECHNOLOGIES

SPRL implements energy conservation through efficient equipment, processes, and upgrades.

Conversion of Diesel Generator Sets on Dual Fuel

D.G. on Diesel Fuel

D.G. With PNG Fuel

Fuel Conversion Kit

Electrical Controls

Normal fans are now converted into BLDC Fans

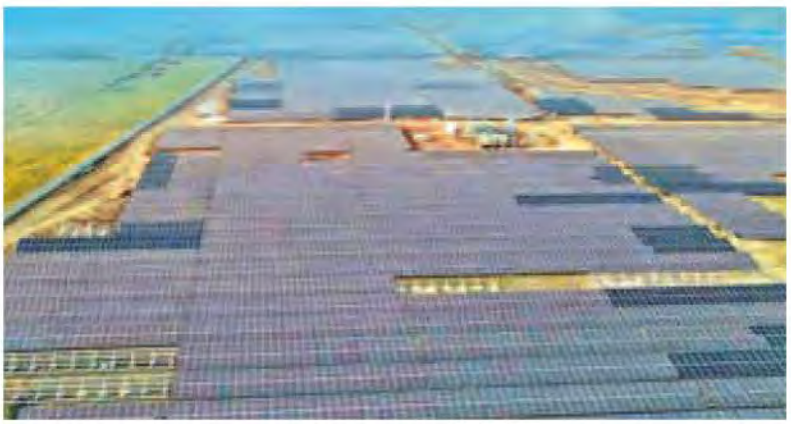
WATER MANAGEMENT

SPRL prioritizes water conservation by supporting community initiatives and using advanced wastewater treatment plants. Our "Zero Liquid Discharge" plants treat and reuse 100% of wastewater.

Hydrocarbon washing machine-eliminates water for cleaning

RENEWABLE ENERGY

SPRL is committed to renewable energy, sourcing 20% of Ghaziabad plant's power from solar. Pathredi plant's rooftop solar project is underway, aiming for 10% solar power contribution.



SUSTAINABLE PACKAGING

We adopt advanced technologies to promote recycling. Our processes aim to improve packaging quality, use returnable crates, and eliminate wooden pallets.

Returnable bins floor

Use of Plastic Pallets

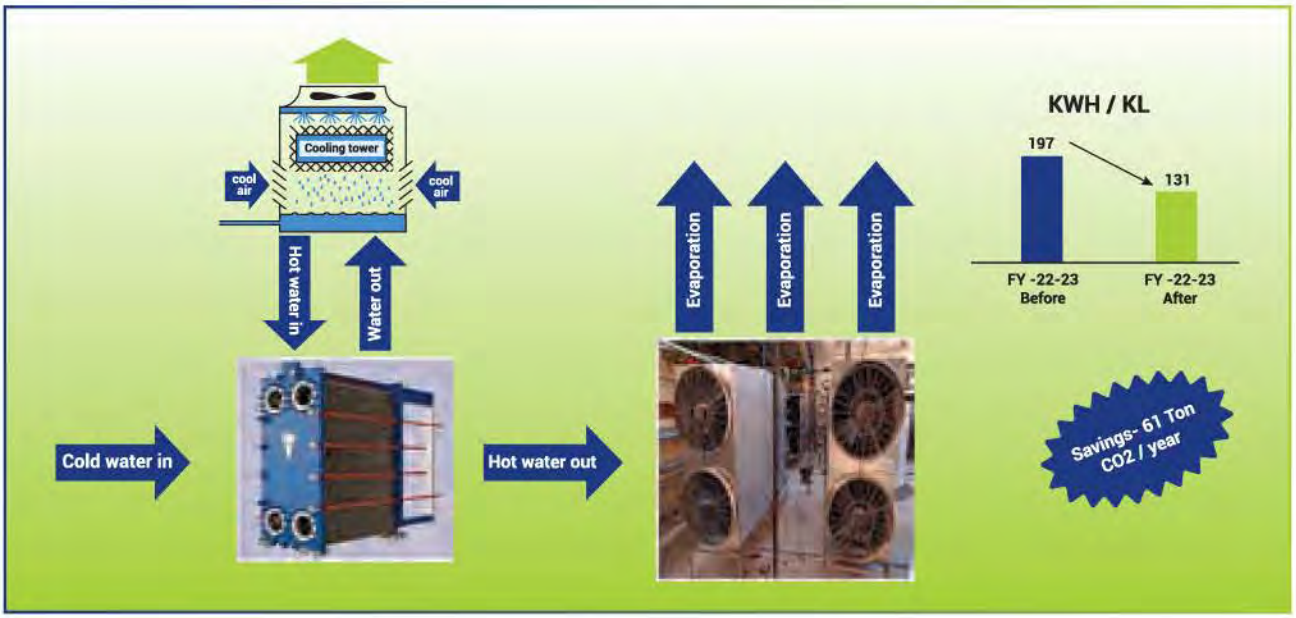
Use of Coco Pallets in place of Wooden Pallets

OCCUPATIONAL HEALTH, SAFETY AND ENVIRONMENTAL SUSTAINABILITY

Health, safety, and environmental sustainability are key components of our company policy. We provide a safe, healthy work environment with appropriate facilities and protective equipment. All workplaces are regularly inspected for potential hazards and hazardous substances to prevent accidents.

ENVIRONMENTAL SUSTAINABILITY

High efficiency evaporator technology introduction in ZLD Plant to minimise MEE Usage



CONCEPT DESIGN

- Concept Design
- Design Algorithm
- CAD Platforms

SIMULATION

- Piston FEA
- Engine Valve FEA
- Ring Dynamic
- Piston Dynamic
- Casting
- CFD Simulation

PROTO LINE

- Piston Sample Manufacturing Facility
- Rapid Prototyping

RIG TESTING

- Hydro-Pulsator
- Wear & Tear
- Coating Scuffing

ENGINE TESTING

- Performance
- Endurance
- Cold & Hot Scuff
- Micro-welding
- Temperature

LAB ANALYSIS

- Fine Measurements
- 3D Scanning
- SCM Analysis
- Metallurgic Analysis

END TO END PRODUCT DEVELOPMENT FACILITY

Recognition by DSIR- Govt. of India

Independent Auditor's Report

To the Members of Shriram Pistons & Rings Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Shriram Pistons & Rings Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with theIndian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matter

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

5. We have determined the matter described below to be the key audit matters to be communicated in our report.

Matter: Revenue Recognition

Key audit matter	How our audit addressed the key audit matter
Revenue Recognition of sale of products (Refer note 2.A.10 to the accompanying standalone financial statements for material accounting policy on revenue recognition and 24 for the details of revenue recognised during the year.) Revenue from contracts with customers for the year ended 31 March 2024 is Rs. 29,083.22 million. The Company recognizes revenue from sale of products upon satisfaction of its performance obligation, i.e., transfer of control to the customer in accordance with the principles of Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115'). Revenue, being one of the key performance indicators of the Company and its external stakeholders, is subject to high inherent risk of material misstatement, and is therefore determined to be an area involving significant risk in line with the requirements of the Standards on Auditing which required significant auditor attention.	Our audit procedures in relation to revenue recognition included, but were not limited to, the following: a) Understood the nature of revenue transactions, revenue recognition process and evaluated the appropriateness of the accounting policy adopted by the management in accordance with Ind AS 115; b) Evaluated the design and tested operating effectiveness of key controls around revenue recognition for a sample of transactions; c) Performed substantive testing on selected samples of revenue transactions recorded during the year, and transactions recorded during specific period before and after year end, by inspecting supporting documents such as customer contracts/ purchase orders, invoices, shipment terms, proofs of dispatch and delivery etc., to ensure the accuracy and completeness of revenue recorded for such transactions;

Further, due to varying shipment terms with its customers across its operating markets, considerable efforts are required by the management on determining the timing of revenue recognition according to Ind AS 115. Considering the above along with the significance of amount, volume of transactions and varied terms of contracts with customers, we have identified revenue recognition as a key audit matter for the current year audit.	d) Performed substantive analytical procedures on revenue recognised during the year such customer wise variance analysis, product wise analysis, to identify any unusual and/ or material variances; e) Tested unusual non-standard journal entries impacting revenue, selected based on risk-based criteria and f) Evaluated the appropriateness and adequacy of disclosures made in the accompanying standalone financial statements in respect of revenue recognition in accordance with financial reporting framework.

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and

appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Other Matter

15. The standalone financial statements of the Company for the year ended 31 March 2023 were audited by the predecessor auditor, Deloitte Haskins & Sells, who have expressed an unmodified opinion on those standalone financial statements vide their audit report dated 08 May 2023.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

18. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

c) The standalone financial statements dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;

f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 18(b) above on reporting under section 143(3)(b) of the Act and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and

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

i. The Company, as detailed in note 41 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;

iv. a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 43 (i) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 43 (iii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year ended 31 March 2024 and until the date of this audit report is in compliance with section 123 of the Act.

The final dividend paid by the Company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 15 (g) to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2024 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2023, has used an accounting software (SAP ECC) for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software except that, audit trail feature was not enabled at database level to log any direct data changes, as described in note 66 to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.001076N/N500013

Arun Tandon
(Partner)
Membership No. 517273
UDIN: 24517273BKEXFL6263

Place: New Delhi
Date: 13 May 2024

Annexure A referred to in paragraph 17 of the Independent Auditor's Report of even date to the members of Shriram Pistons and Rings Limited on the standalone financial statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The property, plant and equipment, capital work-in-progress, and relevant details of right-of-use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in note 3 and 6 to the standalone financial statements, are held in the name of the Company. For title deeds of immovable properties in the nature of land as tabulated below have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.

(Amount in Rs. million)

S.No.	Land situated at	Gross carrying value as at 31 March 2024
1	Meerut Road Industrial Area -Ghaziabad, Uttar Pradesh	96.17
2	Industrial Area - Pathredi, Rajasthan	194.99
3	Industrial Area Site, Bulandshahr Road, Ghaziabad	137.89

(d) The Company has adopted cost model for its Property, Plant and Equipment including right-of-use assets and intangible assets. Accordingly, reporting under clause 3(i)(d) of Companies (Auditor's Report) Order 2020 (hereinafter referred to as 'the Order') is not applicable to the Company.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have been confirmed by the third parties and in respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.

(b) As disclosed in note 51 to the accompanying standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 5 crores by banks based on the security of current assets. The quarterly statements for the quarters ended 31 March 2023, 30 June 2023, 30 September 2023 and 31 December 2023, in respect of the working capital limits have been filed by the Company with the relevant bank during the year, and such statements are in agreement with the books of account of the Company for the respective periods, which were subject to audit/review. Further, the Company is yet to submit the quarterly statement for the quarter ended 31 March 2024 with the relevant bank as on date.

(iii) The Company has not provided any security to companies, firms, limited liability partnerships during the year. The Company has also not made investments in, provided any guarantee or granted any loans or advances in the nature of loans to firms and limited liability partnerships. Further, the Company has made investments in, provided guarantee and granted unsecured loans or advances in the nature of loans to companies, or any other parties during the year, in respect of which:

(a) The Company has provided loans, advances in the nature of loans and guarantee to Subsidiaries/Others during the year as per details given below:

(Amount in Rs. million)

Particulars	Guarantees	Loans	Advances in the nature of loans
Aggregate amount provided/granted during the year:			
- Subsidiaries	1,100.00	168.40	-
- Others	-	-	0.12
Balance outstanding as at balance sheet date in respect of above cases:			
- Subsidiaries	1,100.00	-	-
- Others	-	-	2.95

(b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company. The Company has not given any security during the year.

(c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.

(d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.

(e) The Company has granted loans or advances in the nature of loans which had fallen due during the year and were repaid on or before the due date. Further, no fresh loans were granted to any party to settle the overdue loans/ advances in nature of loan.

(f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans and investments made and guarantees provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 186 of the Act in respect of security provided by it.

(v) In our opinion, and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India ('the RBI'), the provisions of sections 73 to 76 or other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) as applicable, with regard to the deposits accepted or amounts which have been considered as deemed deposits. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any Court or any other Tribunal, in this regard.

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

(Amount in Rs. million)

Name of the statute	Nature of dues	Gross Amount	Amount paid under Protest	Period to which the amount relates	Forum where dispute is pending
Income tax- Act, 1961	Income tax	79.15	79.15	2003-04, 2004-05, 2015-16, 2016-17, 2017-18, 2018-19, 2020-21, 2022-23	Appellate authority up to Commissioners' level
Finance Act, 1994	Service tax	19.79	0.51	2012-13, 2013-14, 2014-15, 2015-16	Custom, Excise & Service Tax Appellate Tribunal (CESTAT)
Central Sales Tax Act, 1956	Sales Tax	1.72	0.41	2012-13, 2015-16	Appellate Tribunal
Sales Tax Laws	Sales Tax / Value Added Tax/ Entry Tax	54.92	8.41	2007-08, 2008-09, 2016-17, 2017-18	Appellate authority up to Commissioners' level
		37.93	14.37	2010-11, 2011-12, 2012-13, 2015-16	Appellate Tribunal
Goods and Services Tax Act, 2017	Goods and Services Tax	10.44	0.81	2017-18	Appellate authority up to Commissioners' level

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

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

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) The Company has entered into non-cash transactions with 2 of its directors/ persons connected with its directors during the year involving the issue of bonus shares by the Company, which is covered under the provisions of section 192 of the Act, and in our opinion and according to the information and explanations given to us, the Company has complied with the provisions of aforesaid section of the Act, by way of obtaining prior approval of shareholders in the general meeting of the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

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

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

(xx) (a) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility pertaining to other than ongoing projects as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has transferred the remaining unspent amounts towards Corporate Social Responsibility (CSR) under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.001076N/N500013

Arun Tandon
(Partner)
Membership No. 517273
UDIN: 24517273BKEXFL6263

Place: New Delhi
Date: 13 May 2024

Annexure B

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Shriram Pistons & Rings Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

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

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

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

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.001076N/N500013

Arun Tandon
(Partner)
Membership No. 517273
UDIN: 24517273BKEXFL6263

Place: New Delhi
Date: 13 May 2024

Standalone Balance Sheet as at 31 March 2024

Rs. million

	Note No.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	5,235.07	5,374.25
b) Capital work-in-progress	4	93.48	45.73
c) Goodwill	5	14.85	14.85
d) Other intangible assets	5	193.08	213.67
e) Right of use assets	6	631.45	662.92
f) Financial assets			
(i) Investments	7	3,578.96	1,248.00
(ii) Other financial assets	9	1,564.07	865.96
g) Other non-current assets	11	344.00	270.96
		11,654.96	**8,696.33**
Current assets			
a) Inventories	12	3,536.21	3,315.82
b) Financial assets			
(i) Investments	8	373.07	674.97
(ii) Trade receivables	13	4,418.82	3,956.64
(iii) Cash and cash equivalents	14	306.57	285.38
(iv) Other bank balances other than (iii) above	14	7,500.50	5,923.77
(v) Other financial assets	9	371.41	199.37
c) Other current assets	11	555.13	298.88
		17,061.71	**14,654.83**
TOTAL ASSETS		**28,716.67**	**23,351.16**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	15	440.50	220.25
b) Other equity	16	19,058.07	15,075.28
		19,498.57	**15,295.53**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	17	1,052.23	1,372.91
(ii) Lease liabilities	38	214.52	228.59
(iii) Other financial liabilities	23	27.18	90.13
b) Provisions	18	300.22	287.22
c) Deferred tax liabilities (net)	20	240.12	220.87
d) Other non-current liabilities	19	19.75	4.40
		1,854.02	**2,204.12**
Current liabilities			
a) Financial liabilities			
(i) Borrowings	21	2,355.93	1,528.48
(ii) Lease liabilities	38	54.36	63.31
(iii) Trade payables	22		
- Total outstanding dues of micro enterprises and small enterprises		95.44	125.48
- Total outstanding dues of creditors other than micro enterprises and small enterprises		3,180.20	2,769.69
(iv) Other financial liabilities	23	888.93	663.06
b) Other current liabilities	19	554.89	526.92
c) Provisions	18	150.38	137.61
d) Current tax liabilities (net)	10	83.95	36.96
		7,364.08	**5,851.51**
TOTAL EQUITY AND LIABILITIES		**28,716.67**	**23,351.16**

See accompanying notes to the standalone financial statements 1-66

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 13 May 2024

Standalone Statement of Profit and Loss for the year ended 31 March 2024

Rs. million

		Note No.	For the Year ended 31 March 2024	For the Year ended 31 March 2023
I	Revenue from operations	24	29,537.16	26,050.26
II	Other income	25	813.36	462.30
III	**Total income (I+II)**		**30,350.52**	**26,512.56**
IV	**Expenses**			
	Cost of materials consumed	26	10,738.17	9,888.32
	Purchase of stock-in-trade		876.14	973.42
	(Increase) / decrease in inventories of finished goods, work-in-progress and stock-in-trade	27	(39.54)	81.74
	Employee benefits expense	28	4,449.53	4,088.50
	Finance costs	29	251.58	194.45
	Depreciation and amortisation expense	30	873.75	933.42
	Other expenses	31	7,212.29	6,383.51
	Total expenses		**24,361.92**	**22,543.37**
V	**Profit before tax (III-IV)**		**5,988.60**	**3,969.19**
VI	**Tax expense:**			
	i) Current tax	10	1,523.83	1,045.88
	ii) Deferred tax	20	(2.87)	(32.27)
			1,520.96	**1,013.61**
VII	**Profit for the year (V-VI)**		**4,467.64**	**2,955.58**
VIII	Other comprehensive income			
	A (i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the post employment defined benefit plans		89.69	117.17
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(22.57)	(29.49)
	B (i) Items that will be reclassified to profit or loss			
	a) Fair value change of cash flow hedge		(1.78)	13.87
	(ii) Income tax relating to items that will be reclassified to profit or loss		0.45	(3.49)
	Total other comprehensive income		**65.79**	**98.06**
	Total comprehensive income (VII+VIII)		**4,533.43**	**3,053.64**
	Earnings per share (of Rs. 10/- each)	33		
	Basic (Rs)		101.42	67.10
	Diluted (Rs)		101.42	67.10
See accompanying notes to the standalone financial statements		1-66		

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 13 May 2024

Standalone Statement of Cash flows for the year ended 31 March 2024

Rs. million

			Year ended 31 March 2024	Year ended 31 March 2023
A.	**Cash flow from operating activities**			
	Profit before tax		**5,988.60**	**3,969.19**
	Adjustments for :			
	Depreciation/amortisation (refer note 30)		873.75	933.42
	Finance costs (refer note 29)		251.58	194.45
	Bad debts/advances written off (refer note 31)		1.89	0.51
	Provision for doubtful debts (net) (refer note 31)		1.87	6.55
	Interest income		(631.62)	(319.23)
	Net gain on sale/ fair valuation of current investment		(32.42)	(32.25)
	Unrealised exchange rate variation (net)		(42.37)	(27.24)
	Investment written off		-	0.50
	Loss / (profit) on sale / write off / retirement of property, plant and equipment		3.22	(30.90)
	Operating profit before working capital changes		**6,414.50**	**4,695.00**
	Adjustments for:			
	(Increase)/ decrease in inventories		(220.39)	18.97
	(Increase)/ decrease in trade receivables		(449.05)	(395.66)
	(Increase)/ decrease in loans and other financial assets (current and non current)		8.26	(36.10)
	(Increase)/ decrease in other assets (current and non current)		(256.82)	(12.45)
	Increase/ (decrease) in trade payables		388.31	322.83
	Increase/ (decrease) in other financial liabilities (current and non current)		220.51	221.24
	Increase/ (decrease) in other liabilities and provisions (current and non current)		113.68	216.51
	Cash generated from operations		**6,219.00**	**5,030.34**
	Income tax paid		(1,476.84)	(1,038.80)
	Net cash generated from operating activities	**(A)**	**4,742.16**	**3,991.54**
B.	**Cash flow from investing activities**			
	Interest received		452.10	189.39
	Sale of property, plant and equipment		21.76	55.02
	Proceeds from right of use assets (land)		-	259.74
	Investment in equity shares		(2,300.00)	(1,200.00)
	Purchase of property, plant and equipment		(806.63)	(484.09)
	Purchase of intangible assets		(21.93)	(130.81)
	Purchase of current investment		(14,637.30)	(14,201.52)
	Proceeds from sale of current investment		14,971.62	13,830.54
	Investment in margin money with banks		-	(50.44)
	Proceeds from redemption of investment in margin money with banks		50.44	0.73
	Investment in deposit with banks		(2,927.58)	(3,213.31)
	Proceeds from redemption of deposit with banks		601.52	79.63
	Net cash (used) in investing activities	**(B)**	**(4,596.00)**	**(4,865.12)**

Standalone Statement of Cash flows for the year ended 31 March 2024

Rs. million

			Year ended 31 March 2024	Year ended 31 March 2023
C.	**Cash flow from financing activities**			
	Repayment of lease liabilities		(62.83)	(81.37)
	Interest paid on lease liability		(24.80)	(22.04)
	Interest paid on borrowing		(206.85)	(168.20)
	Dividend paid		(330.37)	(308.35)
	Proceeds from non-current borrowings		143.40	1,350.77
	Repayment of non-current borrowings		(189.38)	-
	Movement in short-term borrowings (net)		777.94	397.76
	Proceeds from deposits		0.00	11.33
	Payment of deposits		(232.08)	(206.12)
	Net cash (used) in / generated from financing activities	**(C)**	**(124.97)**	**973.78**
	Net increase in cash and cash equivalents	**(A+B+C)**	**21.19**	**100.20**
	Cash and cash equivalents at the beginning of the year		**285.38**	**185.18**
	Cash and cash equivalents at the end of the year		**306.57**	**285.38**
	Components of cash and cash equivalents (refer note 14)			
	Cash in hand			
	Balances with banks		0.37	0.43
	- current accounts		56.20	284.95
	- Deposits with banks, with original maturity less than 3 months		250.00	-
			306.57	**285.38**

Notes to statement of cash flows:

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7.

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

For and on behalf of the Board of Directors

Arun Tandon
Partner
Membership no. 517273

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 13 May 2024

Standalone Statement of Change in Equity as at 31 March 2024

a) Fully paid up equity shares

(face value of Rs. 10/- each)

	Nos of shares	Amount Rs. million
Balance as at 31 March 2022	2,20,24,912	220.25
Add: Issued during the year	-	-
Balance as at 31 March 2023	22,024,912	220.25
Add: - Issued during the year (refer note 53)	22,024,912	220.25
Balance as at 31 March 2024	**44,049,824**	**440.50**

(b) Other Equity

Rs. million

Particulars	Reserves and surplus						Items of other comprehensive income	Total
	Preference share redemption reserve*	Capital redemption reserve*	Revaluation reserve*	Retained earnings	General reserve	Sub Total	Effective portion of cash flow hedge reserve	
Balance as at 31 March 2022	388.58	3.50	97.29	1,300.00	10,550.69	12,340.06	(10.05)	12,330.01
Profit for the year	-	-	-	2,955.58	-	2,955.58	-	2,955.58
Reversal on disposal of revalued assets	-	-	(0.02)	-	-	(0.02)	-	(0.02)
Dividends	-	-	-	(308.35)	-	(308.35)	-	(308.35)
Other comprehensive income for the year, net of tax	-	-	-	87.68	-	87.68	10.38	98.06
Transfer to general reserve	-	-	-	(2,734.91)	2,734.91	-	-	-
Balance as at 31 March 2023	**388.58**	**3.50**	**97.27**	**1,300.00**	**13,285.60**	**15,074.95**	**0.33**	**15,075.28**
Profit for the year	-	-	-	4,467.64	-	4,467.64	-	4,467.64
Used for issuance of bonus shares	(220.25)	-	-	-	-	(220.25)	-	(220.25)
Reversal on disposal of revalued assets	-	-	(0.02)	-	-	(0.02)	-	(0.02)
Dividends (refer note 15 h)	-	-	-	(330.37)	-	(330.37)	-	(330.37)
Other comprehensive income for the year, net of tax	-	-	-	67.12	-	67.12	(1.33)	65.79
Transfer to general reserve	-	-	-	(4,204.39)	4,204.39	-	-	-
Balance as at 31 March 2024	**168.33**	**3.50**	**97.25**	**1,300.00**	**17,489.99**	**19,059.07**	**(1.00)**	**19,058.07**

* The revaluation reserve, preference share redemption reserve and capital redemption reserve are not "free reserve" as per Companies Act 2013, hence not available for distribution of dividend.

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 13 May 2024

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Notes to the standalone financial statements for the year ended 31 March 2024

1. Corporate information

Shriram Pistons & Rings Limited ("the Company") having CIN No.- L29112DL1963PLC004084 is a public Company domiciled in India and incorporated on 9 December 1963 under the provisions of the Companies Act, applicable in India. Its equity share is listed on National Stock Exchange of India Ltd. The registered office of the Company is located at 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi 110001.

The Company's business activity falls under "automotive component". Primary products manufactured by the Company are pistons, piston pins, piston rings and engine valves.

The financial statements of the Company are approved for issuance by the Company's Board of Directors on 13 May 2024.

2. (A) Material accounting policy information

2.A.1.1 Basis of accounting and preparation of financial statements

The Standalone financial statements ("financial statements") have been prepared in accordance with the Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 and Companies (Indian Accounting Standards) Amendment Rules, 2017 issued by the Ministry of Corporate Affairs ('MCA').

The financial statements have been prepared under historical cost convention on accrual and going concern basis, except for the following assets and liabilities:-

i) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

ii) Investments in unquoted equity shares measured at fair value

iii) Defined benefit liabilities are measured at present value of defined benefit obligation.

iv) Certain financial assets and liabilities at amortised cost

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The buyback of equity shares and related transaction costs are recorded as reduction of retained earnings/ general reserves. Capital redemption reserve is created as an apportionment from general reserves.

The financial statements are presented in INR "(Indian Rupees)" and all values are rounded to the nearest million, except when otherwise indicated.

2.A.1.2 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

- Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities

- Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

- Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data..

2.A.1.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification

The Company classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it is expected to be settled in normal operating cycle;
- it holds the liability for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

The Company's normal operating cycle is twelve months.

2.A.1.4 Significant accounting judgements, estimates and assumptions.

The preparation of the financial statements is in conformity with Indian Accounting Standards (Ind AS) and requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise information, about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Standalone Financial Statements is included in the following notes.

- Deferred tax: Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Notes to the standalone financial statements for the year ended 31 March 2024

- Impairment of financial assets and non-financial assets: The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.
- Useful lives of depreciable/amortisable assets: Value of property, plant and equipment and intangibles at the end of each reporting period. Factors such as changes in the expected level of usage could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and may have an impact on the profit of the future years.
- Estimation of defined benefit obligation: Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- Estimation for expected credit losses of trade receivables: Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management believes that there is uncertainty of collections. Provision is recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.
- Incremental rate of borrowing for lease accounting: The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

2.A.2.1. Property, plant and equipment

Property, plant and equipment held for use in production or supply of goods and services, or for administrative purpose, are stated at historic cost, net of accumulated depreciation (net of input tax credits availed) including taxes and other incidental expenses related to acquisition, installation and borrowing cost on loan taken for the acquisition of qualifying assets upto the date the assets are ready for their intended use. Subsequent measurement of property, plant and equipment is done in accordance with cost model.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

Subsequent expenditure can be capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the company.

An item of property, plant and equipment is derecognised on disposal, or when no future economic benefit are expected to arise from the continued use of assets. Any gain and loss arising on the disposal of or retirement is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the statement of profit and loss.

2.A.2.2. Intangible assets

Intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the entity and the cost of the asset can be reliably measured.

Notes to the standalone financial statements for the year ended 31 March 2024

Intangible assets held for use in production or supply of goods and services, or for administrative purpose, are stated at are stated at historic cost, net of accumulated depreciation (net of input tax credits availed) including taxes and other incidental expenses related to acquisition, installation and borrowing cost on loan taken for the acquisition of qualifying assets upto the date the assets are ready for their intended use. Subsequent measurement of intangible assets is done in accordance with cost model.

An item of intangible asset is derecognised on disposal, or when no future economic benefit are expected to arise from the continued use of assets. Any gain and loss arising on the disposal of or retirement is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the statement of profit and loss.

2.A.2.3. Capital work-in-progress

Capital work-in-progress represents expenditure incurred in respect of capital projects under development and are carried at cost. Cost includes related acquisition expenses, development/ construction costs, borrowing costs and other direct expenditure. Subsequent measurement of capital work-in-progress is done in accordance with cost model.

2.A.2.4. Leases

Lessee accounting

1. Lease liability is recognised at the commencement of lease and measured at an amount equal to the present value of minimum lease payments during the lease term that are not yet paid.
2. Right of use asset is recognised at the commencement of lease and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of the restoration costs and any initial direct costs incurred by the lessee. Right-of-use assets are amortized on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets and impairment loss. Subsequent measurement of right-of-use assets is done in accordance with cost model.
3. The lease liability is measured in subsequent periods using the effective interest rate method.
4. Recognition and measurement exemption is availed for low-value assets and short term leases. Assets of low value include IT equipment or office furniture. No monetary threshold has been defined for low-value assets. Short-term leases are defined as leases with a lease term of 12 months or less.

2.A.3 Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

The Company is following written down value method in case of Furniture, fixtures and office equipment and straight line method in respect of other assets.

Depreciation on tangible property, plant and equipment has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the certain categories of assets, in whose case the life of the assets has been assessed based on technical advice, taking into account the nature, the estimated usage, operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance practices etc. Followings are the estimated useful lives of various category of assets used:

Factory building	-	thirty years
Office building	-	sixty years
Plant and equipment		
- General	-	twenty years
- Electric installation / equipment	-	fifteen years
- Dies	-	three years

Road	-	twenty years
Bore well	-	fifteen years
Vehicle	-	five years
Furniture and fixture / Office equipment	-	five years

All intangible assets are amortised on straight-line method over their estimated useful life as under.

Computer software	-	three years
Product design	-	three years
Enabling assets	-	fifteen years
Right of use assets under leases	-	over the lease period
Trademarks acquired on acquisition	-	ten years
Customer contracts acquired on acquisition	-	ten years

Assets costing up to Rs. 5,000 are fully depreciated in the year of acquisition.

Depreciation on assets acquired/sold/discarded during the year is charged on pro-rata basis except for furniture, fixtures and equipments where full year's depreciation is computed in the year of acquisition and no depreciation is provided in the year of sale.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and the effect of any changes in estimate is accounted for on a prospective basis.

2.A.4. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

Financial assets

All regular way purchases or sales of financial assets are accounted for at trade date basis. Regular way purchases or sales are purchase or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost

i) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

i) The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

Financial asset which are not classified in any of the above categories are subsequently measured at fair value through profit or loss (FVTPL).

Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. The average credit period is 55 days.

Investments

Investment in subsidiaries are carried at cost less impairment losses, if any. Any permanent diminution in the value of investments is provided for in the books of account.

Investments in mutual funds and investment in equity instrument are measured at fair value through profit or loss.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost or at fair value through profit or loss (FVTPL). For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Fair value is determined in the manner described in note no 44.

2.A.5. Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and cross currency interest rate swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss

is recognised in the statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

(i) Financial assets or financial liabilities, at fair value through profit or loss.

This category has derivative financial assets or liabilities which are not designated as hedges. Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through the statement of profit and loss and the resulting exchange gains or losses are included in the statement of profit and loss. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance sheet date.

(ii) Hedge accounting

The Company designates the derivatives as hedge of foreign exchange risk associated with the cash flows of highly probable forecast transaction.

The Company documents at the inception of the hedging transaction the economic relationship between hedging instrument and hedge items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

When forward contracts are used to hedge forecast transactions, the Company generally designates related forward contract related as the hedging instruments.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognised in other comprehensive income and accumulated under the heading of cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to the statement of profit and loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. For the same, Company matches critical terms of hedge item and hedge instruments.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction and cross currency interest rate swap transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction and cross currency interest rate swap transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

Fair value is determined in the manner described in note no 44.

2.A.6. Employee benefits

Retirement benefit costs and termination benefits:

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

Contribution towards Provident Fund and Superannuation Fund is paid as per the statutory provisions/ Company's scheme. These benefits are charged to the statement of profit and loss of the year when they become due. For the provident fund trust administrated by the trustees, the Company is liable to meet the shortfall, if any, in payment of interest at the rates declared by Central Government and such liability is recognised in the year of shortfall. For defined post-employment employee benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

i) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

ii) Net interest expense or income; and

iii) Re-measurement.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Notes to the standalone financial statements for the year ended 31 March 2024

Leave availment / encashment benefit is provided as per Company's scheme. Employees are entitled to accumulate leaves subject to certain limit as per Company's scheme.

Liabilities for compensated absence that are not expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service, are measured at the present value of expected future payment to be made in respect of service provided by employees up to the end of reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of reporting period. Remeasurement as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss.

Employee benefits in the form of long service awards is provided as per Company scheme. The liability is determined through actuarial valuation using projected unit credit method.

2.A.7. Taxes on income

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.A.8. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.A.9. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.

When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.

Notes to the standalone financial statements for the year ended 31 March 2024

2.A.10. Revenue recognition

Sale of products/services

Revenue from the sale of products or services is recognised upon transfer of control to customers. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example, taxes and duties collected on behalf of the government). A receivable is recognized upon satisfaction of performance obligations as per the contracts and is measured at transaction price.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Export benefits

Export benefit entitlements is in the nature of income, and are recognised when the right to receive benefit is established in respect of the exports made and the realisation is reasonably certain.

2.A.11. Inventories

Inventories are valued at lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition is accounted for as follows:

i) **Raw materials, loose tools and store and spares :** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Raw materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

ii) **Work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

iii) **Finished goods:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

iv) **Stock-in-trade:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(B) Other accounting policy information

2.B.1. Other income

Interest income

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

Miscellaneous income

Other revenues are recognised on accrual basis, except where there are uncertainties in realisation / determination of income and in such case income is recognised on realisation / certainty.

2.B.2. Research and development

Revenue expenditure on research and development, inclusive of dies for new model development, is charged as expense in the year in which incurred. Capital expenditure is included in property, plant, equipment and intangible assets.

2.B.3. Borrowing costs

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

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

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

2.B.4. Earnings per share

Basic earnings per share is calculated by dividing profit or loss attributable to the owners of the Company by weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split and any new equity issue.

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

2.B.5. Impairment of assets

The carrying values of Property, plant and equipment, right of use assets and intangible assets or cash generating units are reviewed at each Balance sheet date for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the statement of profit and loss.

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

2.B.6. Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. The Company is primarily engaged in the manufacturing and assembling of automotive components for the automotive industry. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risk and returns hence CODM reviews as one balance sheet component.

Notes to the standalone financial statements for the year ended 31 March 2024

2.B.7. Foreign currency transactions and translations

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing on or closely approximating to the date of transaction.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except exchange differences on transactions entered into in order to hedge certain foreign currency risks.

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

(C) Recent accounting pronouncements which are not yet effective

As on the date of these standalone financial statements, Ministry of Corporate Affairs ('MCA') has not issued any standards/amendments to accounting standards which are effective from 1 April 2024.

Notes to the standalone financial statements for the year ended 31 March 2024

3. Property, plant & equipment

Rs. million

Particulars	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Dies	Total
As at 31 March 2023							
Gross carrying amount							
Opening gross carrying amount	1,632.06	9,530.36	60.35	126.18	201.95	159.78	11,710.68
Additions	34.15	301.15	6.08	47.54	36.02	41.56	466.50
Disposals	(1.99)	(9.97)	(5.97)	(128.09)	(17.31)	(16.96)	(180.29)
Closing gross carrying amount as at 31 March 2023	**1,664.22**	**9,821.54**	**60.46**	**45.63**	**220.66**	**184.38**	**11,996.89**
Accumulated depreciation							
Opening accumulated depreciation	422.91	5,121.35	48.51	86.80	154.79	112.97	5,947.33
Depreciation charged during the year	66.09	680.52	6.17	20.35	31.25	22.52	826.90
Disposals	(1.52)	(6.93)	(5.33)	(107.15)	(14.61)	(16.05)	(151.59)
Closing accumulated depreciation as at 31 March 2023	**487.48**	**5,794.94**	**49.35**	**-**	**171.43**	**119.44**	**6,622.64**
Net carrying amount as at 31 March 2023	**1,176.74**	**4,026.60**	**11.11**	**45.63**	**49.23**	**64.94**	**5,374.25**
As at 31 March 2024							
Gross carrying amount							
Opening gross carrying amount	1,664.22	9,821.54	60.46	45.63	220.66	184.38	11,996.89
Additions	28.55	483.68	10.23	-	73.60	39.97	636.03
Disposals	(0.44)	(34.32)	(4.90)	(9.59)	(25.35)	(10.10)	(84.70)
Closing gross carrying amount as at 31 March 2024	**1,692.33**	**10,270.90**	**65.79**	**36.04**	**268.91**	**214.25**	**12,548.22**
Accumulated depreciation							
Opening accumulated depreciation	487.48	5,794.94	49.35	-	171.43	119.44	6,622.64
Depreciation charged during the year	65.47	597.38	8.07	9.63	48.17	29.66	758.38
Disposals	(0.20)	(24.76)	(4.43)	(7.00)	(21.89)	(9.59)	(67.87)
Closing accumulated depreciation as at 31 March 2024	**552.75**	**6,367.56**	**52.99**	**2.63**	**197.71**	**139.51**	**7,313.15**
Net carrying amount as at 31 March 2024	**1,139.58**	**3,903.34**	**12.80**	**33.41**	**71.20**	**74.74**	**5,235.07**

Notes:

i) The Company has not revalued property, plant and equipment during the year.

ii) The title deeds of immovable properties are held in the name of the Company as at the balance sheet date.

iii) The above assets are pledged as security against borrowings, refer note no. 17 and 21.

Notes to the standalone financial statements for the year ended 31 March 2024

4. Capital-Work-in Progress (CWIP)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	45.73	46.94
Additions during the year	615.53	389.68
Capitalised / adjusted during the year	(567.78)	(390.89)
Balance at the end of the year	**93.48**	**45.73**

Note:

1. The capital-work-in-progress mainly consist of property, plant and equipment under construction / installation and which are not ready for use at year end.
2. There are no such projects under capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan as of 31 March 2024 and 31 March 2023.

Capital-work-in progress ageing schedule is as under:

Rs. million

Particulars	As on 31 March 2024				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	91.98	-	-	-	91.98
Projects temporarily suspended	-	1.50	-	-	1.50

*The projects in progress as on 31st March 2022, will be completed within 1 year.

Particulars	As on 31 March 2023				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	45.13	0.31	0.29	-	45.73
Projects temporarily suspended	-	-	-	-	-

Notes:

a) The above assets are pledged as security against borrowings, refer note no. 17 and 21.

b) *The projects in progress as on 31 March 2024 will be completed within 1 year.

5. Goodwill and other intangible assets

Rs. million

Particulars	Goodwill	Other intangible assets						Grand Total
		Computer software	Product design and development	Enabling assets	Customer contracts	Trademarks	Sub total	
As at 31 March 2023								
Gross carrying amount								
Opening gross carrying amount	14.85	88.62	72.47	85.59	114.36	103.78	464.82	479.67
Additions	-	7.11	19.80	-	-	-	26.91	26.91
Disposals	-	-	-	-	-	-	-	-
Closing gross carrying amount as at 31 March 2023	**14.85**	**95.73**	**92.27**	**85.59**	**114.36**	**103.78**	**491.73**	**506.58**

Notes to the standalone financial statements for the year ended 31 March 2024

Rs. million

Particulars	Goodwill	Other intangible assets						Grand Total
		Computer software	Product design and development	Enabling assets	Customer contracts	Trademarks	Sub total	
Accumulated amortization								
Opening accumulated depreciation	-	73.19	65.38	15.61	45.75	41.51	241.44	241.44
Depreciation / amortisation charged during the year	-	2.92	6.31	5.57	11.44	10.38	36.62	36.62
Disposals	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at 31 March 2023	**-**	**76.11**	**71.69**	**21.18**	**57.19**	**51.89**	**278.06**	**278.06**
Net carrying amount as at 31 March 2023	**14.85**	**19.62**	**20.58**	**64.41**	**57.17**	**51.89**	**213.67**	**228.52**
As at 31 March 2024								
Gross carrying amount								
Opening gross carrying amount	14.85	95.73	92.27	85.59	114.36	103.78	491.73	506.58
Additions	-	3.94	17.14	0.85	-	-	21.93	21.93
Disposals	-	(2.41)	-	-	-	-	(2.41)	(2.41)
Closing gross carrying amount as at 31 March 2024	**14.85**	**97.26**	**109.41**	**86.44**	**114.36**	**103.78**	**511.25**	**526.10**
Accumulated amortization								
Opening accumulated depreciation	-	76.11	71.69	21.18	57.19	51.89	278.06	278.06
Depreciation / amortisation charged during the year	-	3.46	11.66	5.59	11.43	10.38	42.52	42.52
Disposals	-	(2.41)	-	-	-	-	(2.41)	(2.41)
Closing accumulated depreciation as at 31 March 2024	**-**	**77.16**	**83.35**	**26.77**	**68.62**	**62.27**	**318.17**	**318.17**
Net carrying amount as at 31 March 2024	**14.85**	**20.10**	**26.06**	**59.66**	**45.75**	**41.51**	**193.08**	**207.93**

i) Goodwill represents goodwill arisen on amalgamation of Shriram Automotive Product Limited. Goodwill is tested for impairment on annual basis and wherever there is an indication that the recoverable amount is less than its carrying amount based on a number of factors including in business plan, operating results, future cash flows and economic conditions. The recoverable amount is determined based on higher of value in use and fair value less cost to sell. The Company generally uses discounted cash flows method to determine the recoverable amount. These discounted cash flow calculation are based on financial forecasts, cash flow projections take into account past experience and represent management's best estimate about future developments.

Ii) The Company has not revalued its other intangible assets during the year.

Notes to the standalone financial statements for the year ended 31 March 2024

6. Right of use assets

Rs. million

Particulars	Right of use assets (refer note 38)			
	Land	Building	Motor car	Total
As at 31 March 2023				
Gross carrying amount				
Opening gross carrying amount	688.78	386.73	-	1,075.51
Additions	-	66.96	34.39	101.35
Disposals (refer note 38)	(259.74)	-	-	(259.74)
Closing gross carrying amount as at 31 March 2023	**429.04**	**453.69**	**34.39**	**917.12**
Accumulated amortization				
Opening accumulated depreciation	18.49	168.36	-	186.85
Depreciation / amortisation charged during the year	8.51	59.93	1.46	69.90
Disposals	(2.55)	-	-	(2.55)
Closing accumulated depreciation as at 31 March 2023	**24.45**	**228.29**	**1.46**	**254.20**
Net carrying amount as at 31 March 2023	**404.59**	**225.40**	**32.93**	**662.92**
As at 31 March 2024				
Gross carrying amount				
Opening gross carrying amount	429.04	453.69	34.39	917.12
Additions	-	24.12	22.10	46.22
Disposals	-	(16.62)	-	(16.62)
Closing gross carrying amount as at 31 March 2024	**429.04**	**461.19**	**56.49**	**946.72**
Accumulated amortization				
Opening accumulated depreciation	24.45	228.29	1.46	254.20
Depreciation / amortisation charged during the year	6.13	57.66	9.06	72.85
Disposals	-	(11.78)	-	(11.78)
Closing accumulated depreciation as at 31 March 2024	**30.58**	**274.17**	**10.52**	**315.27**
Net carrying amount as at 31 March 2024	**398.46**	**187.02**	**45.97**	**631.45**

Note:

i) The right of use assets (land) is mortgaged as security against borrowings, refer note no. 17 and 21.

ii) The title deeds of immovable properties are held in the name of the Company as at the balance sheet date.

Notes to the standalone financial statements for the year ended 31 March 2024

7. Investments - Non-current

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Rs. million	No. of shares	Rs. million
Non current investments (Unquoted)				
Nil (previous year: 31 March 2023: Nil) shares of M/s SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) (refer note 54)	-	30.96	-	-
Equity instrument:				
Investment in subsidiary carried at cost				
350,000,000 (previous year: 31 March 2023: 120,000,000) shares of Rs. 10 each fully paid up in M/s SPR Engeninous Limited (refer note 55)	350,000,000	3,500.00	120,000,000	1,200.00
Investment carried at Fair value through statement of Profit or Loss				
3,636,364 (previous year: 31 March 2023: 3,636,364) shares of Rs. 10 each fully paid up in M/s Lalganj Power Private Limited	3,636,364	48.00	3,636,364	48.00
	353,636,364	**3,578.96**	**123,636,364**	**1,248.00**
Aggregate book value of unquoted investments		3,578.96		1,248.00
Aggregate value of impairment in value of investments		-		-

8. Investments - current (Unquoted)

Carried at fair value through Statement of Profit and loss				
Investment in Mutual fund (Liquid fund) Units of Face value of Rs 1000 each				
- Nil units (Previous year: 126,846) Axis Overnight Fund Direct Growth		-		150.38
- Nil units (Previous year: 3,855) SBI Overnight Fund Direct growth		-		14.07
- Nil units (Previous year: 3,433) SBI Liquid Fund Direct Growth		-		12.10
- Nil units (Previous year: 1,740) UTI Overnight Fund -Direct Plan - Growth		-		5.34
- 13,045 units (Previous year: 31,833) UTI Liquid Fund - Direct Plan Growth		51.62		117.44
- 102,635 units (Previous year: 97,111) AXIS Liquid Fund - Direct Growth		275.44		242.86
- 19,122 units (Previous year: 59,218) HSBC liquid fund direct Growth		46.01		132.78
		373.07		**674.97**
Aggregate book value of unquoted investments		372.11		673.01
Aggregate market value of unquoted investments		373.07		**674.97**
Aggregate value of impairment in value of investments		-		-

Notes to the standalone financial statements for the year ended 31 March 2024

9. Other Financial Assets

(At amortised cost excluding derivative instrument)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Bank deposit more than 12 months	1,350.86	601.52
Security deposits	193.19	194.10
Derivative instrument (refer note 44)	20.02	19.90
Deposit with banks held as margin money	-	50.44
	1,564.07	**865.96**
Current:		
Security deposit	4.32	3.01
Interest accrued on deposits	359.14	190.89
Derivative instrument (refer note 44)	7.95	5.47
	371.41	**199.37**

10. Tax assets/ (liabilities) net

Rs. million

	As at 31 March 2024	As at 31 March 2023
Advance income tax	1439.88	1008.92
less: provision for income tax	(1,523.83)	(1,045.88)
Net	**(83.95)**	**(36.96)**

11. Other assets

(Unsecured, considered good unless stated otherwise)

Rs. million

		As at 31 March 2024	As at 31 March 2023
Non-current:			
i)	Capital advances	137.21	63.89
ii)	Export incentive receivable		
	Unsecured, considered good	9.68	13.67
	Unsecured, considered doubtful	4.66	3.57
		14.34	17.24
	Provision for doubtful advances	(4.66)	(3.57)
		9.68	**13.67**
iii)	Prepaid expenses	14.79	10.99
iv)	Other assets		
	Unsecured, considered good*	182.32	182.41
	Unsecured, considered doubtful	-	-
		344.00	**270.96**

* Other assets - non current, represents paid under protest to government authorities.

Notes to the standalone financial statements for the year ended 31 March 2024

Rs. million

	As at 31 March 2024	As at 31 March 2023
Current:		
i) Advances other than capital advances recoverable in cash or in kind or for value to be received		
Unsecured, considered good	132.63	102.82
Unsecured, considered doubtful	**15.47**	**14.60**
	148.10	117.42
Provision for doubtful advances	(15.47)	(14.60)
	132.63	**102.82**
ii) Export incentive receivable		
Unsecured, considered good	13.84	22.61
Unsecured, considered doubtful	0.24	0.72
	14.08	23.33
Provision for doubtful advances	(0.24)	(0.72)
	13.84	**22.61**
iii) Balance with government authorities	**66.29**	**52.53**
iv) Prepaid expenses	**47.74**	**43.30**
v) Other assets		
Unsecured, considered good*	294.63	77.62
Unsecured, considered doubtful	3.83	3.83
	298.46	81.45
Provision for doubtful assets	(3.83)	(3.83)
	294.63	**77.62**
	555.13	**298.88**

*Other assets majorly includes Rs. 271.83 million (previous year Rs. 51.17 million) of surplus in Shriram Pistons & Rings Limited Gratuity Fund Trust.

12. Inventories

(valued at lower of cost or net realisable value)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Raw material and components (includes in transit Rs. 24.75 million (previous year: Rs. 4.39 million))	806.54	664.48
Work-in-progress (includes in transit Rs. 4.51 million (previous year: Rs. 8.09 million))	923.72	993.46
Finished goods (includes in transit Rs. 57.50 million (previous year: Rs. 64.72 million))	1,406.14	1,281.86
Stock- in - trade (includes in transit Rs. 2.04 million (previous year: Rs.1.97 million))	29.61	44.61
Stores and spares (includes in transit Rs. 38.81 million (previous year: Rs 0.88 million))	325.29	293.75
Loose tools	44.91	37.66
	3,536.21	**3,315.82**

Notes:

i) The inventories are hypothecated as security against working capital loans from banks, refer note no 21.

ii) The value of inventories above is net off of write down of Rs. 149.69 million (previous year Rs. 114.96 million).

Notes to the standalone financial statements for the year ended 31 March 2024

13. Trade receivables

Rs. million

	As at 31 March 2024	As at 31 March 2023
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured*	4,418.82	3,956.64
Receivable which have significant increase in credit risk	31.53	31.19
Receivable credit impaired	0.88	0.88
	4,451.23	3,988.71
Less: Allowances for receivables which have significant increase in credit risk/credit impaired	(32.41)	(32.07)
	4,418.82	**3,956.64**

Trade receivables includes Rs. 4.09 million (previous year: nil) due to related parties (refer note 36)

Notes:

i) The trade receivables are pledged as security against working capital loans from banks, refer note no 21.

ii) *No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member

Trade receivable ageing as on 31st March 2024 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	-	3,961.67	449.39	7.76	-	-	-	**4,418.82**
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	4.68	1.87	6.38	3.91	14.69	**31.53**
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	0.88	**0.88**
Total	**-**	**3,961.67**	**454.07**	**9.63**	**6.38**	**3.91**	**15.57**	**4,451.23**

Notes to the standalone financial statements for the year ended 31 March 2024

Trade receivable ageing as on 31st March 2023 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	-	3,511.73	425.64	19.27	-	-	-	**3,956.64**
(ii) Undisputed trade Receivables – which have significant increase in credit risk	-	-	4.41	4.31	5.88	3.38	13.21	**31.19**
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	0.88	**0.88**
	-	**3,511.73**	**430.05**	**23.58**	**5.88**	**3.38**	**14.09**	**3,988.71**

14. Cash and cash equivalents and other bank balances

Rs. million

	As at 31 March 2024	As at 31 March 2023
i) Cash and cash equivalents	-	-
Cash on hand	0.37	0.43
Balances with banks		
- Deposits with banks, with original maturity less than 3 months	250.00	-
- current accounts	56.20	284.95
	306.57	**285.38**
ii) Other bank balances		
- Unclaimed dividend account	1.24	0.53
- Unspent CSR account	2.62	5.50
- Deposits with banks , with original maturity more than 3 month but less than 12 months	6,537.71	5,602.34
- Deposits with banks held as margin money*	958.93	315.40
	7,500.50	**5,923.77**
	7,807.07	**6,209.15**

* Margin money is deposited with bank majorly towards export packing credit and overdraft facility availed.

Notes to the standalone financial statements for the year ended 31 March 2024

15. Equity share capital

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Rs. million	No. of shares	Rs. million
Authorised shares				
52,500,000 (previous year 52,500,000) equity shares of Rs. 10 each		525.00		525.00
3,000,000 (previous year 3,000,000) preference shares of Rs. 100 each		300.00		300.00
		825.00		**825.00**
a. Issued, subscribed and fully paid up shares				
44,049,824 (previous year 22,024,912) equity shares of Rs. 10 each (refer note 53)		440.50		220.25
		440.50		**220.25**

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to dividend and one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

c. Reconciliation of numbers of equity shares outstanding at the beginning and at the end of reporting year

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Rs. million	No. of shares	Rs. million
Opening balance	22,024,912	220.25	22,024,912	220.25
Issued during the year (refer note 53)	22,024,912	220.25	-	-
Closing balance	**44,049,824**	**440.50**	**22,024,912**	**220.25**

d. Details of equity shareholders holding more than 5% shares in the Company

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% shareholding	No. of shares	% shareholding
Equity shares of Rs. 10 each fully paid				
Riken Corporation	9,384,114	21.30	4,692,057	21.30
KS Kolbenschmidt GmbH	-	-	4,474,974	20.32
Luv D. Shriram and Meenakshi Dass*	6,667,862	15.14	3,333,931	15.14
Meenakshi Dass and Luv D. Shriram *	6,667,862	15.14	3,333,931	15.14
National Insurance Company Limited	2,483,005	5.64	1,384,055	6.28

* Shares held on behalf of Deepak Shriram Family Benefit Trust.

Notes to the standalone financial statements for the year ended 31 March 2024

e) **Details of Shares held by Promoters at the end of the year**

Name of promotor	As at 31 March 2024			As at 31 March 2023		
	No. of shares	% shareholding	% Change during the year	No. of shares	% shareholding	% Change during the year
Meenakshi Dass & Luv D. Shriram*	6,667,862	15.14	-	3,333,931	15.14	-
Luv D. Shriram & Meenakshi Dass*	6,667,862	15.14	-	3,333,931	15.14	-
Meenakshi Dass	1,669,440	3.79	-	834,720	3.79	-
Nandishi Shriram	1,730	0.00***	-	865	0.00***	-
Luv D. Shriram and Kush D. Shriram**	4	0.00***	-	2	0.00***	-
Luv D. Shriram	10,900	0.02	-	5,450	0.02	-
Sarva Commercial Pvt. Ltd.	2,133,160	4.84	-	1,066,580	4.84	-
Sera Com Pvt. Ltd	1,900,794	4.32	-	950,397	4.32	-
Manisha Commercial Pvt. Ltd.	1,335,958	3.03	-	667,979	3.03	-
Shabnam Commercial Pvt. Ltd.	206,394	0.47	-	103,197	0.47	-
Kush D. Shriram	2	0.00***	-	1	0.00***	-

Shareholding % does not change during the year except the increase in no. of shares held due to the issuance of bonus shares by the Company.

* Shares held on behalf of Deepak Shriram Family Benefit Trust.

** Shares held on behalf of NAK Benefit Trust.

*** Rounded off to zero.

f) (i) Aggregate number and class of shares allotted as fully paid up by way of bonus shares during the period of five years immediately preceding 31 March 2024:

	31 March 2024 No. of shares	31 March 2023 No. of shares	31 March 2022 No. of shares	31 March 2021 No. of shares	31 March 2020 No. of shares
Equity shares alloted fully paid up under bonus issue	22,024,912*	-	-	-	-

ii) Aggregate number of shares bought back during the period of five years immediately preceding 31 March 2024:

	31 March 2024 No. of shares	31 March 2023 No. of shares	31 March 2022 No. of shares	31 March 2021 No. of shares	31 March 2020 No. of shares
Equity shares fully paid up buy back	-	-	350,000**	-	-

iii) There are no shares allotted as fully paid up pursuant to contracts without payment being received in cash during the period of five years immediately preceding 31 March 2024.

*The Board pursuant to shareholder's approval in the annual general meeting held on 06 July 2023, allotted 2,20,24,912 equity shares as bonus share in the ratio of 1:1.

Notes to the standalone financial statements for the year ended 31 March 2024

**During the year ended 31st March 2022, the Company has concluded the buyback of 3,50,000 equity shares (at a price of Rs 1020/- per equity share) as approved by the Board of Directors on 30 July 2021. This has resulted in a total cash outflow of Rs 449.7 million (including tax on buyback of Rs 82.4 million & transaction cost of Rs 10.3 million). In line with the requirement of the Companies Act 2013, an amount of Rs 446.2 million has been utilized from retained earnings. Further, capital redemption reserve of Rs 3.5 million (representing the nominal value of the shares bought back) has been created as an apportionment from General reserve. Consequent to such buyback, the paid-up equity share capital has reduced by Rs 3.5 million.

g) The Board of directors, in its meeting of 13 May 2024, has proposed final dividend of Rs 5/-per equity share (face value of Rs. 10 per equity share) to equity shareholders for the year ended 31 March 2024. This dividend together with the interim dividend of Rs.5/- per equity share, aggregating total dividend to Rs. 10/- per equity share for the financial year 2023-24. The final dividend is subject to the approval of shareholders in Annual General Meeting of the Company and same has not been recognised as liability in financial statements for the year ended 31 March 2024.

h) The Board of directors, in its meeting of 08 May 2023, has proposed final special "Golden Jubilee" dividend of Rs.5/- per equity share (face value of Rs. 10 per equity share) to equity shareholders for the year ended 31 March 2023. This dividend together with the interim dividend of Rs.10/- per equity share, aggregating total dividend to Rs. 15/- per equity share for the financial year 2022-23 which was subsequently approved by the shareholders in the Annual General Meeting held on 04 July 2023 and paid thereof.

16. Other equity

Particulars	Reserves and surplus						Items of other comprehensive income	Total
	Preference share redemption reserve	Capital redemption reserve	Revaluation reserve	Retained earnings	General reserve	Sub Total	Effective portion of cash flow hedge reserve	
Balance as at 31 March 2022	**388.58**	**3.50**	**97.29**	**1,300.00**	**10,550.69**	**12,340.06**	**(10.05)**	**12,330.01**
Profit for the year	-	-	-	2,955.58	-	2,955.58	-	2,955.58
Other comprehensive income for the year	-	-	-	87.68	-	87.68	10.38	98.06
Reversal on disposal of revalued assets	-	-	(0.02)	-	-	(0.02)	-	(0.02)
Dividends	-	-	-	(308.35)	-	(308.35)	-	(308.35)
Transfer to general reserve	-	-	-	(2,734.91)	2,734.91	-	-	-
Balance as at 31 March 2023	**388.58**	**3.50**	**97.27**	**1,300.00**	**13,285.60**	**15,074.95**	**0.33**	**15,075.28**
Profit for the year	-	-	-	4,467.64	-	4,467.64	-	4,467.64
Used for issuance of bonus shares	(220.25)	-	-	-	-	(220.25)	-	(220.25)
Other comprehensive income for the year	-	-	-	67.12	-	67.12	(1.33)	65.79
Reversal on disposal of revalued assets	-	-	(0.02)	-	-	(0.02)	-	(0.02)
Dividends (refer note 15 h)	-	-	-	(330.37)	-	(330.37)	-	(330.37)
Transfer to general reserve	-	-	-	(4,204.39)	4,204.39	-	-	-
Balance as at 31 March 2024	**168.33**	**3.50**	**97.25**	**1,300.00**	**17,489.99**	**19,059.07**	**(1.00)**	**19,058.07**

Nature and purpose of reserves:

Preference share redemption reserve

The Company issued 10,00,000 nos. of preference shares in financial year 1997-98 of Rs. 100/- each and the same were redeemed during the financial years viz- 2002-03 and 2003-04. Further, the Company issued 28,85,760 nos. of preference shares of Rs. 100/- each in financial year 2019-20 and same were redeemed in the financial year 2019-20. Accordingly, the preference share redemption reserve of Rs. 388.58 million was created. In the financial year 2023-24, Rs. 220.25 million has been used for issuance of bonus share and balance reserve amount is available for the purposes as specified under the provisions of the Companies Act, 2013.

Notes to the standalone financial statements for the year ended 31 March 2024

Capital redemption reserve

The Company bought back 3,50,000 equity shares in the financial year 2021-22 and created capital redemption reserve as per the applicable provision of the Companies Act, 2013. The reserve amount is available for the purposes as specified under the provisions of the Companies Act, 2013.

Revaluation reserve

In the Financial year 1995-96, the Company had revalued its existing property, plant and equipment and created a revaluation reserve for the same.

Retained earnings

Retained earnings represents the net profit/(loss) retained by the Company for its core business activities. Also, includes re-measurement gains / (loss) on defined benefit plans.

General reserves

General reserves represents amount appropriated out of retained earnings.

Cash flow hedge reserve

Cumulative changes in the fair value of financial instruments designated as effective hedge are recognised in cash flow hedge reserve through OCI (net of taxes). Amounts recognised in the cash flow hedge reserve are reclassified to the statement of profit and loss when the underlying transaction occurs.

17. Borrowings

(At amortised cost)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Secured		
Term loans from banks	1,332.85	1,374.45
Unsecured		
Deposits	164.51	360.76
Deposits from directors (refer note 36)	-	15.82
Deposits from related parties (refer note 36)	10.78	28.28
	1,508.14	1,779.31
Less: Current maturities of non-current borrowings (refer note 21)	(281.11)	(180.12)
Less: Current maturities of deposits (refer note 21)	(174.80)	(226.28)
	1,052.23	**1,372.91**

i) Term loans from banks of Rs. 1,332.85 million (previous year: 1,374.45) are secured by way of first pari passu charge on all the movable and immovable property of the Company, present and future.

Amount outstanding		Repayment period from origination (years)	Installments outstanding		Effective Rate of Interest per annum %	
As at 31 March 2024 (Rs. million)	As at 31 March 2023 (Rs. million)		No.	As at 31 March 2024 Periodicity	As at 31 March 2024	As at 31 March 2023
340.00	400.00	6*	17	Quarterly	8.34	7.30
538.06	623.68	6*	17	Quarterly	8.25	7.18
454.79	350.77	6	19	Quarterly	7.99	7.68
1,332.85	**1,374.45**					

* The repayment period includes moratorium of 1 year from the date of origination

Notes to the standalone financial statements for the year ended 31 March 2024

ii) The long term deposits have been raised under Section 58A of the Companies Act, 1956 and Section 73 to 76 of the Companies Act, 2013 for maturity period of 2 and 3 years.

Amount outstanding		Repayment period from origination (years)	Rate of interest per annum %	
As at 31 March 2024 (Rs. million)	As at 31 March 2023 (Rs. million)		As at 31 March 2024	As at 31 March 2024 Periodicity
-	5.42	2	6.50-9.50	6.00-9.50
175.29	399.44	3		
175.29	**404.86**			

iii) Disclosure under Para 44A as set out in IND AS on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

Changes in liabilities arising from financing activities

Rs. million

Particular	Outstanding balance as on 01 April 2023	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2024
Long term borrowing (Including current maturities of long term debt)	1,374.45	(45.98)	4.38	1,332.85
Deposits (including unclaimed matured deposits)	408.79	(232.08)	-	176.71
Lease liabilities (refer note 38)	291.90	(87.63)	64.61	268.88

Particular	Outstanding balance as on 01 April 2022	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2023
Long term borrowing (Including current maturities of long term debt)	-	1,350.77	23.68	1,374.45
Deposits (including unclaimed matured deposits)	603.58	(194.79)	-	408.79
Lease liabilities (refer note 38)	249.88	(103.41)	145.43	291.90

18. Provisions

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Provision for compensated absences (refer note 35)	299.84	284.92
Provision for other employee benefits	0.38	2.30
	300.22	**287.22**
Current:		
Provision for compensated absences (refer note 35)	149.28	135.80
Provision for other employee benefits	1.10	1.81
	150.38	**137.61**

Notes to the standalone financial statements for the year ended 31 March 2024

19. Other liabilities

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Security deposits*	19.75	4.40
	19.75	**4.40**
Current:		
Security deposits*	111.59	128.91
Revenue received in advance (refer note 24)	81.39	90.65
Statutory dues	306.29	256.85
Others **	55.62	50.51
	554.89	**526.92**

*The security deposits have been received by the Company from customers/vendors in the normal course of business.

**Others includes provision for superannuation contribution and unspent CSR amount.

20. a) Deferred tax liability (net)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Deferred tax liability		
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	317.39	316.85
	317.39	**316.85**
Deferred tax assets		
Expenses deductible on payment basis	134.02	131.09
Provision for doubtful debts/advances	14.26	13.78
Cash flow hedge	5.18	4.73
Defined benefit plans	(76.19)	(53.62)
	77.27	**95.98**
Net deferred tax liability	**240.12**	**220.87**

b) Reconciliation of tax expenses and accounting profit

	As at 31 March 2024		As at 31 March 2023	
	Rs. million	%	Rs. million	%
Profit before tax	5,988.60		3,969.19	
Income tax expenses calculated at current tax rate	1,507.21	25.17%	998.95	25.17%
Add : Effect of expenses that are not deductible in determining taxable profit.	13.75	0.23%	14.66	0.37%
Income tax expenses recognised in statement of profit & loss	1,520.96	25.40%	1,013.61	25.54%

Notes to the standalone financial statements for the year ended 31 March 2024

(c) Changes in deferred tax liability (net)

	As at 31 March 2023	Recognised in		As at 31 March 2024
		OCI	Profit / loss	
Items leading to creation of deferred tax assets				
Expenses deductible on payment basis	131.09	-	2.93	134.02
Provision for doubtful debts/advances	13.78	-	0.48	14.26
Cash flow hedge	4.73	0.45	-	5.18
Defined benefit plans	(53.62)	(22.57)	-	(76.19)
Items leading to deferred tax liabilities				
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	316.85	-	0.54	317.39
Net deferred tax assets /(liability)	**(220.87)**	**(22.12)**	**2.87**	**(240.12)**

	As at 31 March 2022	Recognised in		As at 31 March 2024
		OCI	Profit / loss	
Items leading to creation of deferred tax assets				
Expenses deductible on payment basis	114.42	-	16.67	131.09
Provision for doubtful debts/advances	12.14	-	1.64	13.78
Cash flow hedge	8.22	(3.49)	-	4.73
Defined benefit plans	(24.06)	(29.56)	-	(53.62)
Items leading to deferred tax liabilities				
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	330.79	-	(13.94)	316.85
Unrealised income on mutual fund	0.09	(0.09)	-	
Net deferred tax assets / (liability)	**(220.16)**	**(32.98)**	**32.27**	**(220.87)**

21. Short term borrowings

(At amortised cost)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Secured		
Working capital loans from banks repayable on demand*	1,900.02	1,122.08
Current maturities of non-current borrowings (refer note 17)	281.11	180.12
Unsecured		
Current maturities of deposits (refer note 17)	174.80	226.28
	2,355.93	**1,528.48**

* Working capital loans of Rs. 1,050.02 million (previous year: 1,017.08 million) are secured by way of first pari passu charge on inventories and trade receivables of the Company, present and future and second pari passu charge on all the movable and immovable property of the Company, present and future . Further, working capital loans of Rs. 850.00 million (previous year: 105.00 million) is secured by way of lien on the bank deposit of Rs. 850.00 million (previous year: Rs. 250.50 million).

Notes to the standalone financial statements for the year ended 31 March 2024

Disclosure under Para 44A as set out in IND AS on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

Changes in liabilities arising from financing activities

Rs. million

Particular	Outstanding balance as on 01 April 2023	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2024
Short-term borrowings	1,122.08	777.94	-	1,900.02

Rs. million

Particular	Outstanding balance as on 01 April 2022	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2023
Short-term borrowings	724.32	397.76	-	1,122.08

22. Trade payables

(At amortised cost)

Rs. million

	As at 31 March 2024	As at 31 March 2023
- Total outstanding dues of micro enterprises and small enterprises	95.44	125.48
- Total outstanding dues of creditors other than micro enterprises and small enterprises	3,180.20	2,769.69
	3,275.64	**2,895.17**

Trade payable includes Rs. 0.10 million (previous year: Rs. 2.96 million) due to related parties (refer note 36)

Trade payables ageing schedule as on 31 March 2024 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	93.66	1.78	0.00	-	-	**95.44**
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	535.62	1,644.60	759.53	72.87	84.63	82.95	**3,180.20**
(iv) Disputed dues - Others	-	-	-	-	-		
	535.62	**1,738.26**	**761.31**	**72.87**	**84.63**	**82.95**	**3,275.64**

Trade payables ageing schedule as on 31 March 2023 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	125.48	-	-	-	-	**125.48**
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	440.39	1,441.75	648.69	144.16	14.04	80.66	**2,769.69**
(iv) Disputed dues - Others	-	-	-	-	-		
	440.39	**1,567.23**	**648.69**	**144.16**	**14.04**	**80.66**	**2,895.17**

Notes to the standalone financial statements for the year ended 31 March 2024

23. Other financial liabilities

(At amortised cost)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Financial guarantee*	27.18	-
Capital creditors	-	90.13
	27.18	**90.13**
*Guarantee given to bank on behalf of step down subsidiary - SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)		
Current:		
Interest accrued but not due on borrowings	40.69	60.62
Unclaimed dividends*	1.23	0.53
Unclaimed matured deposits and interest accrued thereon*	1.83	5.11
Capital creditors	178.50	56.45
Employee related payables	666.68	540.35
	888.93	**663.06**

*Not due for transfer to investor education and protection fund

24. Revenue from operations

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Sale of products	29,083.22	25,599.15
Other operating revenues		
- sale of scrap	340.43	350.68
- export benefits*	100.63	95.58
- others	12.88	4.85
	29,537.16	**26,050.26**

*Export benefits covers the following:

Rs. million

	As at 31 March 2024	As at 31 March 2023
Remission of duties and taxes on export products (RoDTEP)	22.13	22.18
Duty draw backs	78.50	73.40
	100.63	**95.58**

Rs. million

	As at 31 March 2024	As at 31 March 2023
Timing of revenue recognition:		
Goods transferred at a point in time	29,537.16	26,050.26

Rs. million

	As at 31 March 2024	As at 31 March 2023
Contract balances		
Revenue received in advance (refer note 19)	81.39	90.65

Notes to the standalone financial statements for the year ended 31 March 2024

Contract liabilities - Revenue received in advance

Rs. million

	As at 31 March 2024	As at 31 March 2023
Opening balance of contract liabilities	90.65	62.27
Less: Amount of revenue recognised against opening contract liabilities	871.03	812.16
Add: Addition in balance of contract liabilities for current year (net of refunds)	861.77	840.54
Closing balance of contract liabilities	**81.39**	**90.65**

The contract liabilities are settled during the normal course of business.

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Rs. million

	As at 31 March 2024	As at 31 March 2023
Revenue from contract with customer as per the contract price	30,004.82	26,093.10
Adjustments made to contract price on account of :-		
Less: Discounts / price adjustments	921.60	493.95
Revenue from contract with customer	**29,083.22**	**25,599.15**

Performance obligation

Information about the Company's performance obligations is summarised below:

Sale of products

Revenue from the sale of products is recognized upon transfer of control to customers.

25. Other income

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Interest income*		
- Bank deposits	620.36	311.25
- Others	11.26	7.98
Net gain on sale/fair valuation of current investment**	32.42	32.25
Income from corporate guarantee	3.79	-
Gain on sale/disposal of property, plant and equipment / right of use of assets (land)	-	30.90
Foreign exchange gain (net)	112.10	30.65
Other non-operating income	33.43	49.27
	813.36	**462.30**

*Represents income on underlying assets carried at amortised cost

**Includes Rs. 0.98 million (previous year Rs. 1.99 million) on account of fair valuation of investments classified at FVTPL

26. Cost of material consumed

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Cost of raw material and components consumed	10,179.87	9,331.98
Cost of packing material consumed	558.29	556.34
	10,738.16	**9,888.32**

Notes to the standalone financial statements for the year ended 31 March 2024

27. (Increase) / decrease in inventories of finished goods , work-in-progress and stock-in-trade

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Inventories at the end of the year		
Work-in-progress	923.72	993.46
Finished goods	1,406.14	1,281.86
Stock-in-trade	29.61	44.61
	2,359.47	**2,319.93**
Inventories at the beginning of the year		
Work-in-progress	993.46	1,079.57
Finished goods	1,281.86	1,278.79
Stock-in-trade	44.61	43.31
	2,319.93	**2,401.67**
(Increase) / decrease in inventories of finished goods, work-in-progress and stock-in-trade	**(39.54)**	**81.74**

28. Employee benefits expense

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and wages	3,905.45	3,569.63
Contribution to provident and other funds (refer note 35)	298.27	301.00
Staff welfare expenses	**245.81**	**217.87**
	4,449.53	**4,088.50**

29. Finance costs

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense on borrowings	220.05	160.95
Interest expense on lease liabilities (refer note 38)	24.80	22.04
Interest expense on income tax	2.64	6.85
Other borrowing costs	4.09	4.61
	251.58	**194.45**

30. Depreciation and amortisation expense

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
- Depreciation on property , plant and equipment (refer note 3)	758.38	826.90
- Depreciation on right of use assets (refer note 6)	72.85	69.90
- Amortisation of intangible assets (refer note 5)	42.52	36.62
	873.75	**933.42**

Notes to the standalone financial statements for the year ended 31 March 2024

31. Other expenses

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Stores and spares consumed	2,313.13	2,059.23
Power and fuel	1,547.09	1,380.43
Job work charges	609.53	537.18
Freight outward expenses	402.28	362.02
Royalty	479.93	463.92
Rent (refer note 38)	20.36	19.73
Rates and taxes	12.58	11.46
Insurance	40.25	39.04
Sub-contracting expenses	377.82	304.73
Repair and maintenance		
-Plant and machinery	198.99	185.39
-Buildings	90.69	92.43
-Others	27.82	27.01
Auditor's remuneration (refer note 32)	5.29	5.35
Directors' fees	9.60	12.40
Provision for doubtful debts and advances (net)	1.87	6.55
Loss on sale / retirement of fixed assets (net)	3.22	-
Bad debts and advances written off	1.89	0.51
Corporate social responsibilities expenses (refer note 50)	51.96	30.90
Travelling expenses	90.36	64.84
Legal and professional expenses	102.21	58.41
Miscellaneous expenses	825.42	721.98
	7,212.29	**6,383.51**

32. Auditor's remuneration

(excluding goods and service tax, as applicable)

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
As auditor:		
- Audit fee	1.80	3.23
- Limited review	2.40	1.40
- Other services	0.52	0.26
- Reimbursement of expenses	0.57	0.46
	5.29	**5.35**

Notes to the standalone financial statements for the year ended 31 March 2024

33. Earnings per share (EPS)

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Profit attributable to equity shareholders (Rs. million)	4,467.64	2,955.58
Weighted average number of equity shares (Nos. million)	44.05	22.02
Earning per share		
- *Basic (Rs.)	101.42	67.10
- *Diluted (Rs.)	101.42	67.10

* During the current year, the Company has issued 22,024,912 equity shares of Re.10 each as fully paid-up bonus shares in the ratio of 1 (one) equity share for every 1 (One) equity share outstanding on the record date i.e. 24 July 2023. Accordingly, as required by Ind AS-33 Earnings per share, the EPS of current and previous period have been restated.

34. Research and development expenditure

The details of research and development expenditure incurred by the Company and included in the respective account heads are as under:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Capital expenditure	21.59	22.09
Revenue expenditure	226.85	211.05
	248.44	**233.14**

The details of revenue expenditure incurred on research and development is as under:

Rs. million

	Year ended March 31, 2024	Year ended 31 March 2023
Stores and spares consumed	56.72	59.55
Salaries and wages	127.54	117.43
Contribution to provident and other funds	11.11	7.43
Staff welfare expenses	1.29	1.39
Power and fuel	3.56	4.66
Repair and maintenance		
- Plant and machinery	15.18	14.89
- Buildings	0.52	0.18
Loss on sale/retirement of fixed assets (net)	0.03	0.17
Travelling expenses	2.55	1.27
Miscellaneous expenses	8.35	4.08
	226.85	**211.05**

Notes to the standalone financial statements for the year ended 31 March 2024

35. Employee benefits

The Company has classified the various employee benefits as under :

i) Defined contribution plans

The Company has recognised the following amount in the statement of profit and loss:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Employers' contribution to state insurance fund	30.43	28.32
	30.43	**28.32**

ii) Defined benefit plans - Gratuity

In accordance with Ind AS 19, actuarial valuation of defined benefit plans was done for Gratuity and details of the same are given below :

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Amount recognized in statement of Profit and Loss A/c		
Current service cost	76.45	78.52
Net Interest cost on defined benefit/ liability	(3.83)	1.10
Total expense recognised in the Statement of Profit and Loss	**72.62**	**79.62**
Actual contribution and benefit payments for the year		
Actual benefit payments	58.82	57.16
Actual contributions	200.00	30.00
	258.82	**87.16**
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	1,114.92	1,110.64
Fair value of plan assets	1,386.75	1,161.81
Funded status [surplus / (deficit)]	271.83	51.17
Net asset / (liability) recognised in the Balance Sheet (refer note 11)	271.83	51.17
Change in defined benefit obligations (DBO) during the year		
Present value of defined benefit obligations at beginning of the year	1,110.64	1,127.57
Current service cost	76.45	78.52
Interest cost	82.32	75.49
Remeasurement of defined benefit obligations (Actuarial (gains)/losses)		
- Changes in demographic assumptions	0.23	-
- Changes in financial assumptions	(64.59)	(66.93)
- Experience variance	(27.72)	(46.85)
Benefits paid	(58.82)	(57.16)
Transfer in / (out)	(3.59)	-
Present value of DBO at the end of the year	**1,114.92**	**1,110.64**
Change in fair value of plan assets during the year		
Plan assets at beginning of the year	1,161.81	1,111.19
Expected return on plan assets	86.15	74.40
Contributions	200.00	30.00
Return on Plan assets excluding amount recognised in net interest expenses	(2.39)	3.38
Benefits paid	(58.82)	(57.16)
Plan assets at the end of the year	**1,386.75**	**1,161.81**
Actual return on plan assets	**83.76**	**77.78**

Notes to the standalone financial statements for the year ended 31 March 2024

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Amount recognised in other comprehensive income		
Actuarial (gains)/ losses		
- Changes in demographic assumptions	0.23	0.00
- Changes in financial assumptions	(64.59)	(66.93)
- Experience variance	(27.72)	(46.85)
(Return)/loss on plan assets, excluding amount recognized in net interest expense	2.39	(3.39)
	(89.69)	**(117.17)**

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Actuarial assumptions for Gratuity		
Discount rate	7.15%	7.40%
Expected return on plan assets	7.21%	7.00%
Salary escalation	9.00%	10.00%
Attrition	5 /10 %, p.a.	5 /10 %, p.a.
Mortality table used	IAL 2012-14	IAL 2012-14

Estimate of the future salary increase is based on factors such as inflation, seniority, promotions, demand and supply in employment market.

Rs. million

Particulars		Year ended 31 March 2024		Year ended 31 March 2023	
		Impact on Liability		Impact on Liability	
Sensitivity Analysis for significant actuarial assumptions		Increase	Decrease	Increase	Decrease
Discount Rate	+100 basis points		80.02		85.44
	-100 basis points	90.74		97.50	
Salary Growth Rate	+100 basis points	88.24			94.13
	-100 basis points		79.43		84.21
Attrition Rate	+100 basis points		20.82		31.27
	-100 basis points	28.08		42.86	
Mortality Rate	+100 basis points		0.30		0.45
	-100 basis points	0.30		0.45	

The sensitivity analysis has been determined based on possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis present above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be co-related.

Risk Factors in actuarial assumptions

Interest Rate Risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Liquidity Risk: This is the risk that the Company is not able to meet the short term gratuity payouts. This may arise due to non availability of enough cash/ cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Notes to the standalone financial statements for the year ended 31 March 2024

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

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

Asset Liability Mismatching or Market Risk: The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/ fall in interest rate.

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

The following payments are expected future cash flows to the defined benefit plan (undiscounted in future years):

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Year 1	117.52	102.58
Year 2 - 5 years	424.35	396.18
Year 6 - 10 years	574.42	579.88
More than 10 years	1033.32	1246.42

Regulatory framework/ Governance / Benefits under the plan:

The gratuity benefit is a post employment benefit. It is calculated at the terminal salary (Basic+VDA) at the time of separation of the employee according to the provisions of Payment of Gratuity Act, 1972. However, there is no restriction on the maximum amount of gratuity payable. The plan assets are managed by independent Board of Trustees, appointed by the Company. The trust is a separate legal entity and is recognized by the Commissioner of Income Tax, under the provisions of Schedule IV the the Income Tax Act, 1961. The Board of trustees manages the entire plan assets through Life Insurance Corporation of India, SBI Life Insurance, Bajaj Allianz Life Insurance Company and HDFC Life Insurance Co. Under this policy, the eligible employees are entitled to receive gratuity payments upon their separation in lumpsum after deduction of necessary taxes. The fund managers do not disclose the composition of their portfolio investment, accordingly break-down of plan assets by investment type has not been disclosed.

Asset Liability Matching Strategies

The Company has purchased insurance policy, which is a cash accumulation plan. Interest on the fund balances during the year is accumulated at the interest rate declared by insurance company at the end of the financial year. Gratuity claims are settled by the insurance company out of the fund, thus mitigating any liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of the liabilities. Thus, the Company is exposed to movement in interest rate."

Effect of plan on Entity's future cash flows

The company has purchased insurance policies to provide for payment of gratuity to the employees. The contribution to the funds are made on a quarterly basis based on estimated shortfall in plan assets from liabilities. Expected contribution during the next annual reporting period is Nil (Rs 23.72 million) Maturity profile of the defined benefit obligation based on weighted average duration is 10 Years.

The plan assets are managed by independent Board of Trustees through Life Insurance Corporation of India, SBI Life Insurance, Bajaj Allianz Life Insurance Company and HDFC Standard Life Insurance Co. Under this policy, the eligible employees are entitled to receive gratuity payments upon their separation in lumpsum after deduction of necessary taxes. The fund managers do not disclose the composition of their portfolio investment, accordingly break-down of plan assets by investment type has not been disclosed. Estimate of the future salary increase is based on factors such as inflation, seniority, promotions, demand and supply in employment market.

Notes to the standalone financial statements for the year ended 31 March 2024

iii) Compensated absences

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Present value of DBO	449.12	420.72
Funded status [surplus / (deficit)]	(449.12)	(420.72)
Provision for compensated absences		
Non-current	299.84	284.92
Current	149.28	135.80

iv) Defined benefit plans - Provident and Superannuation fund

The Company has recognised the following amount in the statement of profit and loss:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Employers' contribution to provident fund	177.09	174.63
Employers' contribution to superannuation fund	26.96	29.38
	204.05	**204.01**

v) Provident fund

In respect of certain employees, provident fund contributions are made to trust administered by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Fund and Miscalleneous Provisions Act,1952 and shortfall, if any, shall be made good by the Company. The rate is determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Company has been higher in earlier years. As at 31 March 2024, the Company has surplus in the trust administered by the Company.

36. Related party disclosure

As per Indian Accounting Standard – 24 the Company's related parties and transactions with them are disclosed below :

A. List of related parties:

Subsidiary Company	SPR Engenious Limited
Step-down Subsidiary Companies	SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)
	SPR Takahata Precision India Private Limited (w.e.f 16 October 2023) (formerly Takahata Precision India Private Limited)
Key management personnel	Shri Pradeep Dinodia, Chairman
	Shri Hari Shanker Bhartia, Director
	Smt Meenakshi Dass, Director
	Shri Inderdeep Singh, Director
	Shri Krishnakumar Srinivasan, Managing Director & CEO

Notes to the standalone financial statements for the year ended 31 March 2024

	Shri Luv Deepak Shriram, Whole Time Director
	Smt. Ferida Chopra, Director
	Shri Alok Ranjan, Director (ceased to be director w.e.f. close of business hours of 29 March 2024)
	Shri Klaus Semke (Director)
	Shri Alexandru Vladoi , Alternate Director to Shri Klaus Semke
	Shri Masaaki Yamaguchi, Director (ceased to be director w.e.f. close of business hours of 31 March 2024)
	Shri Yasunori Maekawa, (Alternate Director of Masaaki Yamaguchi) (ceased to be alternate director w.e.f. close of business hours of 31 March 2024)
	Shri. Shinichi Unno, Independent Director
	Shri Sascha Putz, Director (ceased to be director w.e.f. close of business hours of 28 July 2023)
Close members of the family of key management personnel	
Shri Krishnakumar Srinivasan	Smt. Sumati Krishnakumar
Shri Luv Deepak Shriram	Smt. Meenakshi Dass
	Shri Kush Deepak Shriram
	Smt Nandishi Shriram
	Smt. Arati Shriram
Entity over which , Key management personnel and their Close members of the family has significant influence or control	Shriram Veritech Solutions Pvt. Ltd.
	S.R. Dinodia & Co. LLP
	Manisha Commercial Pvt. Ltd
	Deepak C. Shriram & Sons HUF
	Sera Com Pvt. Ltd.
	Sarva Commercial Pvt. Ltd.
	Shabnam Commercial Pvt. Ltd.
	Pradeep Dinodia HUF
	Luv Arati and Associates (AOP)
	Deepak Shriram Family Benefit Trust
	NAK Benefit Trust
Post-employment benefit plan entity	Shriram Pistons & Rings Ltd Gratuity Fund Trust
	Shriram Pistons & Rings Ltd Superannuation Fund Trust
	Shriram Pistons & Rings Ltd. Officers' Provident Fund Trust
	Shriram Pistons & Rings Limited

Notes to the standalone financial statements for the year ended 31 March 2024

B. Related party transactions

(i) Transactions during the year

Rs. million

Particulars	Subsidiaries		Entity over which, Key management personnel and their Close members of the family has significant influence or control		Key management personnel (KMP)		Close members of the family of key management personnel		Post-employment benefit plan entity		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Remuneration												
Short-term employees benefit	-	-	-	-	155.58	118.99	-	-	-	-	155.58	118.99
Post- employment benefit	-	-	-	-	2.48	2.48	-	-	-	-	2.48	2.48
Other long-term employees benefit	-	-	-	-	-	-	-	-	-	-	-	-
Commission to directors	-	-	-	-	68.42	49.78	-	-	-	-	68.42	49.78
Legal expenses	-	-	1.44	1.20	-	-	-	-	-	-	1.44	1.20
Rent	-	-	1.85	3.41	1.44	1.44	0.96	0.96	-	-	4.25	5.81
Interest on deposits	-	-	0.35	0.44	0.98	2.30	1.75	3.15	-	-	3.08	5.89
Directors sitting fees	-	-	-	-	9.60	12.40	-	-	-	-	9.60	12.40
Dividend paid	-	-	141.84	132.38	12.60	11.76	0.01	0.01	-	-	154.45	144.15
Contribution paid	-	-	-	-	-	-	-	-	261.35	90.10	261.35	90.10
Deposits taken during the year	-	-	-	-	-	-	-	-	-	-	-	-
Deposits paid during the year	-	-	2.00	-	15.82	12.65	15.50	9.00	-	-	33.32	21.65
Purchase of material / stores	-	-	10.52	11.52	-	-	-	-	-	-	10.52	11.52
Investment	2,300.00	1,200.00	-	-	-	-	-	-	-	-	2,300.00	1,200.00
Loan given during year (refer note-iv)	168.40	15.00	-	-	-	-	-	-	-	-	168.40	15.00
Loan repaid during year	168.40	15.00	-	-	-	-	-	-	-	-	168.40	15.00
Interest received on inter-corporate loan	1.75	0.25	-	-	-	-	-	-	-	-	1.75	0.25
Amount received for providing resources and facilities	5.14	0.66	-	-	-	-	-	-	-	-	5.14	0.66
Property, plant and equipment	-	259.74	-	-	-	-	-	-	-	-	-	259.74
Commission income	0.03	-	-	-	-	-	-	-	-	-	0.03	-
Lease rent	0.26	-	-	-	-	-	-	-	-	-	0.26	-
Recovery of expenditure	5.99	-	-	-	-	-	-	-	-	-	5.99	-
Corporate gurantee (refer note-iii)	1,100.00	-	-	-	-	-	-	-	-	-	1,100.00	-
Sale of material	5.60	2.77	-	-	-	-	-	-	-	-	5.60	2.77

Notes to the standalone financial statements for the year ended 31 March 2024

(ii) Balances due from/to the related parties

Rs. million

Particulars	Subsidiaries		Entity over which, Key management personnel and their Close members of the family has significant influence or control		Key management personnel (KMP)		Close members of the family of key management personnel		Post-employment defined benefit plan entity		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Deposits accepted	-	-	2.50	4.50	-	15.81	8.28	23.78	-	-	10.78	44.09
Interest accrued but not due	-	-	0.55	0.82	-	3.94	1.22	3.67	-	-	1.77	8.43
Amount payable/ (recoverable)	(4.09)	2.80	0.10	0.16	167.99	114.07	-	-	14.46	(36.74)	178.46	80.29

Note :

i) The deposit from related parties have been accepted on same rate of interest as applicable for other unrelated parties.

ii) The amount outstanding from related parties are unsecured and will be settled in cash.

iii) With respect to guarantees given, refer note 54

iv) The purpose of this loan to subsidiary is to meet the funding requirements for future business opportunities in the areas related to the automotive segment.

v) The transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions.

37. Information pursuant to clause 3 (vii) (b) of the Companies (Auditor's Report) Order, 2020 in respect of disputed dues, not deposited as at 31 March 2024, pending with various authorities:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates (various years covering the period)	Amount Involved* (Rs. million)	Amount Unpaid (Rs. million)	Amount Paid (Rs. million)
Income Tax Act, 1961	Income tax	Appellate authority up to Commissioners' level	2003-04, 2004-05, 2015-16, 2016-17, 2017-18, 2018-19, 2020-21, 2022-23	79.15	0.00	79.15
Finance Act, 1994	Service Tax	Custom, Excise & Service Tax Appellate Tribunal (CESTAT)	2012-13, 2013-14, 2014-15, 2015-16	19.79	19.28	0.51
Central Sales Tax Act, 1956	Sales Tax	Appellate Tribunal	2012-13, 2015-16	1.72	1.30	0.41
Sales Tax Laws	Sales Tax / Value Added Tax/ Entry Tax	Appellate authority up to Commissioners' level	2007-08, 2008-09, 2016-17, 2017-18	54.92	46.51	8.41
		Appellate Tribunal	2010-11, 2011-12, 2012-13, 2015-16	37.93	23.56	14.37
Goods & Service Tax Act 2017	Goods & Services Tax	Appellate authority up to Commissioners' level	2017-18	10.44	9.63	0.81

* amount as per demand orders including interest and penalty wherever quantified in the order.

Notes to the standalone financial statements for the year ended 31 March 2024

38. Leases :

The changes in the carrying value of right of use assets for the year ended 31 March 2024 are as follows:

Rs. million

Particulars	Right of Use Asset			
	Land	Buildings	Motor Car	Total
Balance as of 01 April 2022	670.29	218.37	-	**888.66**
Addition	-	66.96	34.39	**101.35**
Deletion*	(259.74)	-	-	**(259.74)**
Gain on transfer of right of use assets (Land)	2.55	-	-	**2.55**
Amortisation of right of use asset	(8.51)	(59.93)	(1.46)	**(69.90)**
Balance as of 31 March 2023	**404.59**	**225.40**	**32.93**	**662.92**
Balance as of 01 April 2023	404.59	225.40	32.93	**662.92**
Addition	-	24.12	22.10	**46.22**
Deletion	-	(4.84)	-	**(4.84)**
Amortisation of right of use asset	(6.13)	(57.66)	(9.06)	**(72.85)**
Balance as of 31 March 2024	**398.45**	**187.02**	**45.97**	**631.45**

* Represents transfer of right of use asset (land) by the Company to its wholly owned subsidiary, SPR Engenious Limited.

The movement in lease liabilities during the year ended 31 March 2024 is as follows

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Balance at the beginning	291.90	249.88
Additions	46.22	101.35
Deletions	(6.41)	-
Finance cost accrued during the period	24.80	22.04
Payment of lease liabilities	(87.63)	(81.37)
Balance at the end	**268.88**	**291.90**

The break-up of current and non-current lease liabilities as of 31 March 2024 is as follows:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Current	54.36	63.31
Non-current	214.52	228.59
Total	**268.88**	**291.90**

Notes to the standalone financial statements for the year ended 31 March 2024

The details of contractual maturities of lease liabilities on an undiscounted basis:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Less than one year	76.38	87.04
One to five years	217.36	221.29
More than five years	46.81	64.73
Total	**340.55**	**373.06**

The following are the amounts recognised in Statement of Profit or Loss:

Rs. million

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation expense of right of use assets	72.85	69.90
Interest expenses on lease liabilities	24.80	22.04
Expense relating to other than non-current leases (included in other expenses) #	20.36	19.73
Total amount recognised in Statement of Profit or Loss	**118.01**	**111.67**

Lease payments not recognised as a liability

The Company has elected not to recognise a lease liability for current leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The Company does not have any liability to make variable lease payments for the right-to-use the underlying asset recognised in the financial statements.

Total cash outflow for short-term leases for the year ended 31 March 2024 is Rs. 20.36 million (previous year Rs. 19.73 million).

The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Rs. million

Particulars	Right of use assets taken under lease (nos.)	Range of remaining term (years)	Average remaining lease term (years)
Building			
- 31 March 2024	39	1 to 9	7
- 31 March 2023	40	1 to 9	7
Land			
- 31 March 2024	13	34 to 83	49
- 31 March 2023	13	34 to 84	50
Car			
- 31 March 2024	58	4 to 5	4
- 31 March 2023	33	4 to 5	5

The Company does not face a significant liquidity risk with regard to its lease liabilities to meet the obligations related to lease liabilities as and when they fall due.

Notes to the standalone financial statements for the year ended 31 March 2024

39. Segment reporting

The Company is engaged in a single segment i.e. the business of "automotive components" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

Geographical information in respect of sale of products from customers is given below:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Domestic Sale	23,901.33	20,758.24
Export Sale	5,181.89	4,840.91
	29,083.22	**25,599.15**

Notes:

a) There are no non-current assets domiciled outside India.

b) During the financial year ended 31 March 2024, revenue from one customer amounting to Rs 3,051.56 million (previous year Rs. 2,756.34 million) represents 10% or more of the Companys' revenue from operations.

40. Micro, Small and Medium enterprises as defined under the MSMED Act

The status of vendors under Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is based on certificate submitted by vendors about their coverage under the provisions of MSMED Act, 2006.

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Amount remaining unpaid to suppliers under MSMED Act as at the end of year		
- Principal amount *	102.95	135.24
- Interest due thereon	-	-
Amount of payments made to suppliers beyond the appointed day during the year		
- Principal amount	2.14	2.66
- Interest actually paid under section 16 of MSMED	-	-
Amount of interest due and payable for delay in payment (which has been paid but beyond the appointed day during the year) but without adding interest under MSMED		
Interest accrued and remaining unpaid at the end of the year		
- Interest accrued during the year	0.01	0.04
- Interest remaining unpaid as at the end of the year	0.09	0.16
Interest remaining disallowable as deductible expenditure under the Income-tax Act, 1961	0.01	0.04

*Includes capital creditors Rs 0.60 million (previous year nil) and security deposits of Rs.6.91 million (previous year Rs. 9.91 million)

Notes to the standalone financial statements for the year ended 31 March 2024

41. Contingent liabilities

Rs. million

	As at 31 March 2024	As at 31 March 2023
Claims against the Company disputed and not acknowledged as debts		
- Sales tax*	94.56	88.46
- Service tax*	19.79	18.77
- Excise Duty*	-	9.54
- Goods & Services Tax*	10.44	0.11
- Income tax*	1.43	1.43
- Employees' State Insurance#	28.83	28.83
- Labour matters#	298.02	246.06
- Commercial matters	25.84	24.97

All the above matters are subject to legal proceedings in the ordinary course of business. In the opinion of the management, the legal proceedings, when ultimately concluded, will not have a material effect on operations or the financial position of the Company.

* refer note 37

this pertains to the legal proceedings related to labour cases.

42. Capital and other commitments

Rs. million

		As at 31 March 2024	As at 31 March 2023
i)	Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	232.71	196.11
ii)	Outstanding export obligation required to be fulfilled under the EPCG scheme against import of some machines/ capital equipments is as under:		
	a) average export obligation of Rs 2,618.30 million every year (previous year Rs. 1,927.01 million every year) to be fulfilled till the time specific export obligation is discharged and		
	b) specific export obligation of Rs. 67.30 million (previous year Rs. 21.80 million) to be fulfilled over a period of maximum up to 5 years. Customs duty saved against outstanding export obligation is Rs. 11.13 million (previous year Rs.3.34 million).		

The Company has other commitments, for purchase / sales orders which are issued after considering requirements as per operating cycle for purchase / sale of goods, employee benefits including union agreements in normal course of business. The Company does not have any other long term commitments or material non-cancellable contractual commitments, which may have a material impact on the financial statements.

Notes to the standalone financial statements for the year ended 31 March 2024

43. Investment in subsidiary

i) The Company has made investment in equity shares of the following subsidiary (intermediary) for further investment in equity shares of ultimate beneficiary as under:

During the year ended 31 March 2024

Rs. million

Name of the intermediary	Date of investment into intermediary	Amount of investment in intermediary	Name of the ultimate beneficiary	Date of investment by intermediary into ultimate beneficiary	Amount of investment by intermediary into ultimate beneficiary
SPR Engenious Limited	10 October 2023	675.09	SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	16 October 2023	675.09
	05 February 2024	700.00	SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	01 February 2024	(15.12)*
				01 March 2024	700.00

*Rs. 55.0 million were held back in financial year 2022-23 to be paid as per terms of the Share Purchase Subscription Agreement. On 01 February 2024, Rs. 39.88 million paid to sellers after adjustment of Rs. 15.12 million on account of closing adjustments as per terms of Share Purchase Subscription Agreement. This has resulted into reduction in investment of SPR Engenious Limited in SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited) by Rs. 15.12 million.

During the year ended 31 March 2023

Rs. million

Name of the intermediary	Date of investment into intermediary	Amount of investment in intermediary	Name of the ultimate beneficiary	Date of investment by intermediary into ultimate beneficiary	Amount of investment by intermediary into ultimate beneficiary
SPR Engenious Limited	23 November 2022	299.50	SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	11 January 2023	780.03 *
	30 December 2022	480.53			

*Includes Rs. 55.0 million to be paid as per terms of the Share Purchase Subscription Agreement

ii) With regard to the above investments made during the financial year 2022-23 and financial year 2023-24, the Company has complied with the relevant provisions of the applicable laws.

iii) No fund has been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries .

Notes to the standalone financial statements for the year ended 31 March 2024

44. Fair value measurement

i) The carrying value and fair value of financial instruments by categories as of 31 March 2024 are as under:

Rs. million

Particulars	Financial assets/ (financial liabilities) at fair value	Total carrying value	Total fair value
Financial assets/(financial liabilities)			
Investment in mutual fund	373.07	373.07	373.07
Investments in other equity instruments	48.00	48.00	48.00
Bank deposits	1,350.86	1,350.86	1,350.86
Security deposits	193.19	193.19	193.19
Derivatives instruments*			
- Cross Currency Swap	26.18	26.18	26.18
- Forward contracts	1.79	1.79	1.79
Total	**1,993.09**	**1,993.09**	**1,993.09**

The carrying value and fair value of financial instruments by categories as of 31 March 2023 are as under:

Rs. million

Particulars	Financial assets/ (financial liabilities) at fair value through profit or loss (FVTPL)	Total carrying value	Total fair value
Financial assets/(financial liabilities)			
Investment in mutual fund	674.97	674.97	674.97
Investments in other equity instruments	48.00	48.00	48.00
Bank deposits	651.97	651.97	651.97
Security deposits	194.10	194.10	194.10
Derivatives instruments*			
- Cross Currency Swap	23.41	23.41	23.41
- Forward contracts	1.96	1.96	1.96
Total	**1,594.41**	**1,594.41**	**1,594.41**

*Change in fair value is recognised in other comprehensive income.

ii) **Fair value hierarchy**

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3."

Level 1 - This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - This level includes financial assets and liabilities, measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Notes to the standalone financial statements for the year ended 31 March 2024

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2024

Rs. million

Particulars	As at 31 March 2024	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3#
Financial assets/(liabilities)				
Investment in mutual fund*	373.07	-	373.07	-
Investments in other equity instruments**	48.00	-	-	48.00
Bank deposits	1,350.86	1,350.86	-	-
Security deposits****	193.19	-	-	193.19
Derivatives instruments***				
- Cross Currency Swap	26.18	-	26.18	-
- Forward contracts	1.79	-	1.79	-
Total	**1,993.09**	**1,350.86**	**401.04**	**241.19**

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2023

Rs. million

Particulars	As at 31 March 2023	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3#
Financial assets/(liabilities)				
Investment in mutual fund*	674.97	-	674.97	-
Investments in other equity instruments**	48.00	-	-	48.00
Bank deposits	651.97	651.97	-	-
Security deposits****	194.10	-	-	194.10
Derivatives instruments***				
- Cross Currency Swap	23.41	-	23.41	-
- Forward contracts	1.96	-	1.96	-
Total	**1,594.41**	**651.97**	**700.34**	**242.10**

There is no transfer between the fair value measurement hierarchy amongst level 1, level 2 and level 3 during the year ended 31 March 2023 and 31 March 2024.

* The fair values are based on net asset value

** This is the transaction price as at which the investment was made. In accordance with the Share Holder's Agreement ('SHA') executed between the Company and Lalganj Power Private Limited, the holding company of Lalganj Power Private Limited or any its nominees have an obligation to buy-back the aforementioned equity shares held by the Company for an amount, at the price at which the shares were acquired by the Company.

*** The fair values are based on exchange rates as at the reporting date

****The fair value is based on the valuation model which considers the present value of expected payment, discounted using a risk-adjusted discount rate. The own non-performance risk was assessed to be insignificant.

During the year there has not been any additions / deletions in level 3 investment.

Notes to the standalone financial statements for the year ended 31 March 2024

iii) Financial assets and financial liabilities that are measured at amortised cost are :

Rs. million

Particulars	Carrying amount	
	As at 31 March 2024	As at 31 March 2023
Financial assets		
Trade and other receivables	4,418.82	3,956.64
Cash and cash equivalents	306.57	285.38
Other bank balances	7,500.50	5,923.77
Other financial assets	363.46	193.89
Financial liabilities		
Borrowings	3,408.16	2,901.39
Trade payables	3,275.64	2,895.17
Lease Liabilities	268.88	291.91
Other financial liabilities	916.11	753.19

The carrying value of above financial assets and financial liabilities approximate its fair value.

45. Capital management

The Company's objective for managing capital is to ensure as under:

i) Ensure the company's ability to continue as a going concern

ii) Maintain a strong credit rating and debt equity and capital gearing ratio in order to support business and maximize the shareholders' value.

iii) Maintain an optimal capital structure.

iv) Compliance of financial covenants under the borrowing facilities.

The Company manages its capital structure keeping in view of:

i) Compliance of financial covenants under the borrowing facilities

ii) Changes in economic conditions

In order to achieve this overall objective of capital management, amongst other things, the Company aims to ensure that it meets financial covenants attached to the borrowings facilities defining capital structure requirements, where breach in meeting the financial covenants may permit the lender to call the borrowings. There have been no breach in the financial covenants of any borrowing facility in the current period. There is no change in the objectives, policies or processes for managing capital over previous year. To maintain the capital structure, the Company may vary the dividend payment to shareholders.

For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company and net debt includes total liabilities, comprising interest bearing loans and borrowings, excluding any dues to subsidiaries or group companies less cash and cash equivalents.

The Company monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts adjusted with available cash and bank balances divided by total capital (equity attributable to owners of the Company).

The funding requirement of the company is primarily met through internal accruals, leading to a negative net debt position as under:

Rs. million

	As at 31 March 2024	As at 31 March 2023
Borrowings (refer note 17 and 21) (including current maturities)	3,408.16	2,901.39
Less: cash and bank balances (refer note 14)	7,807.07	6,209.15
Net debt	**(4,398.91)**	**(3,307.76)**

Notes to the standalone financial statements for the year ended 31 March 2024

46. Financial risk management

The Company's principal financial liabilities, other than derivatives, comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that it derives directly from its operations. The Company also holds FVTPL current investments and enters into derivative transactions. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks under appropriate policies and procedures.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL current investments and derivative financial instruments.

a) Foreign exchange risk

The Company is exposed to foreign exchange risk through its sales and purchases from overseas in foreign currencies mainly in USD, EURO, CNY and JPY. The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations may be adversely affected as the rupee appreciates/ depreciates against these currencies."

Sensitivity

Each percentage point change in the foreign exchange rates has an impact on profit before tax / total equity as follows:

Rs. million

	Profit before tax		Total equity	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Exchange rate - increase by 1%	0.36	(0.65)	0.27	(0.49)
Exchange rate - decrease by 1%	(0.36)	0.65	(0.27)	0.49

The Company's foreign currency risk from financial instruments are as under

(Foreign currency million)

Particulars	Currency	As at 31 March 2024			As at 31 March 2023		
		Total	Hedged	Net	Total	Hedged	Net
Trade and other receivables	USD	9.44	7.43	2.01	8.16	3.70	4.46
	EUR	5.50	3.93	1.57	4.58	2.62	1.95
	JPY	14.20	0.75	13.45	24.85	-	24.85
	GBP	0.24	-	0.24	0.02	0.02	-
Trade payables	USD	0.73	-	0.73	1.22	0.06	1.16
	EUR	1.17	-	1.17	0.24	-	0.24
	CNY	1.89	-	1.89	-	-	-
	JPY	453.91	-	453.91	282.20	-	282.20
Capital creditors	JPY	145.68	145.68	-	145.68	145.68	-
Borrowings	USD	6.45	6.45	-	7.59	7.59	-

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Notes to the standalone financial statements for the year ended 31 March 2024

To manage this, the Company enters into cross currency interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

The Company is not exposed to any significant /material interest rate risk.

Sensitivity

Variable interest rate loan are exposed to interest rate risk, impact on profit before tax / total equity may be as follows:

Rs. million

	Profit before tax		Total equity	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Interest rate - increase by 0.50%	(17.04)	(14.51)	(12.75)	(10.86)
Interest rate - decrease by 0.50%	17.04	14.51	12.75	10.86

ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Credit risk is managed by Company's established policy, procedures and control relating to customer credit risk management.

Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. The Company uses expected credit loss model to assess the impairment loss and makes an allowance for doubtful debts using expected credit loss model on case to case basis.

Movement in the expected credit loss allowance

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Balance at beginning of the year	32.07	30.17
Add: Provided during the year	0.34	1.90
Balance at the end of the year	**32.41**	**32.07**

The ageing analysis of trade receivables (net) before adjustment of expected credit loss provision of Rs. 32.41 million (31 March 2023: Rs. 32.07 million) as of the reporting date is as follows:

Age Bracket	Not due	Less than 6 months	6 month to 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March 2024							
Trade receivable (gross)	3,961.67	454.07	9.63	6.38	3.91	15.57	4,451.23
Less: Allowance for expected credit loss	-	4.68	1.87	6.38	3.91	15.57	32.41
Trade receivable (net)	3,961.67	449.39	7.76	-	-	-	4,418.82
Expected credit loss %	**-**	**1.03%**	**19.42%**	**100.00%**	**100.00%**	**100.00%**	**0.73%**
As at 31st March 2023							
Trade receivable (gross)	3,511.73	430.05	23.58	5.88	3.38	14.09	3,988.71
Less: Allowance for expected credit loss	-	4.41	4.31	5.88	3.38	14.09	32.07
Trade receivable (net)	3,511.73	425.64	19.27	-	-	-	3,956.64
Expected credit loss %	**-**	**1.03%**	**18.26%**	**100.00%**	**100.00%**	**100.00%**	**0.80%**

Notes to the standalone financial statements for the year ended 31 March 2024

iii) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans. Liquidity risk is managed by Company's established policy & procedures made under liquidity risk management framework. The Company manages liquidity risk by maintaining adequate reserves, banking facilities, and reserve borrowing facilites,by continuously forecast and actual cash flows, and by matching the maturity profile of financial assets and liabilities.

The financial assets and liabilities have been appropriately disclosed in financial statements as current and non current portion. The maturity period of non current financial assets and financial liabilities ranges between 1 to 6 years except lease liabilities where period may vary as per respective lease agreements.

Rs. million

	As at 31 March 2024	As at 31 March 2023
On demand		
- Borrowings	1,900.02	1,122.08
Less than 1 year		
- Borrowings	455.91	406.41
-Trade payables	3,275.64	2,895.17
-Lease liabilities	54.36	63.31
-Other financial liabilities	888.93	663.06
More than 1 year		
- Borrowings	1,052.23	1,372.91
-Lease liabilities	214.52	228.59
Details of undrawn facilities of the Company from banks and financial institutions (fund based as well as non fund based):		
Total committed working capital limits from Banks	4,350.00	3,085.00
Utilized working capital limit	2,489.05	1,741.51
Unutilized working capital limit	1,860.95	1,343.49

iv) Commodity risk

Commodity price risk is the financial risk on the Company's profitability upon fluctuations in the prices of commodities since they are primarily driven by external market forces. Sharp fluctuations in commodity prices can affect production costs, product pricing and earnings. This price volatility makes it imperative for an entity to manage the impact of commodity price fluctuations across its value chain to effectively manage its financial performance and profitability. To mitigate these risks, the company employs multiple levers, each chosen based on a cost benefit analysis and the extent of exposure to commodity price fluctuations. These include assessing the feasibility of passing any adverse fluctuations onto customers through price increases, continuously engaging in cost optimisation initiatives and process improvement exercises. The Company also explores options such as localizing imports/ implementing global sourcing strategies to ensure most cost effective sourcing. Based on the assessment by the Company and after factoring the ability to optimise costs and pass on prices to customers, no individual commodity is expected to have a significant adverse impact on the financial performance/profitability beyond its materiality threshold approved by the Board.

Notes to the standalone financial statements for the year ended 31 March 2024

v) Other price risks

The Company has deployed its surplus funds into various financial instruments including units of mutual funds. The Company is exposed to NAV (net asset value) price risks arising from investments in these funds. The value of these investments is impacted by movements in interest rates , liquidity and credit quality of underlying securities.

47. Hedge accounting

i) Forwards contracts

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place.

Details of forward foreign currency contracts outstanding at the end of reporting period are as under:

(Foreign currency million)

Outstanding contracts	Currency	As at 31 March 2024	As at 31 March 2023
Maturing not later than one month	USD/INR	3.03	3.75
	EUR/INR	1.68	1.37
	EUR/USD	0.15	-
	JPY/INR	146.43	-
	JPY/USD	32.81	33.20
	GBP/INR	-	0.10
Maturing later than one month and not later than three months	USD/INR	4.41	-
	EUR/INR	2.26	1.25
	EUR/USD	0.41	-
	JPY/USD	225.00	100.00
	GBP/USD	0.08	-
Maturing later than three month and not later than one year	JPY/INR	-	145.68
	JPY/USD	100.00	-

The Company has designated foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The related hedge transactions for balance lying in cash flow hedging reserve are expected to occur and reclassified in the statement of profit or loss within 6 months.

Hedge effectiveness is determined at the inception of the hedge relationship. To ensure that an economic relationship exists between the hedged item and hedging instrument, the Company matches the critical terms of the hedged items and hedging instruments.

ii) Reconciliation of cash flow hedge reserve are as under:

Rs. million

Particulars	As at 31 March 2024	As at 31 March 2023
Assets /(liability)		
Balance at the beginning of the year	0.33	(10.05)
Gain / (Loss) recognised in other comprehensive income during the year	(1.78)	13.87
Tax impact on above	0.45	(3.49)
Balance at the end of the year	**(1.00)**	**0.33**

Notes to the standalone financial statements for the year ended 31 March 2024

48. The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.

49. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund (IEPF) by the Company during the year.

50. Expenditure on corporate social responsibility (CSR)

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(i) amount required to be spent by the Company during the year	51.96	30.90
(ii) amount spent during the year: a) construction/acquisition of any asset b) on purposes other than (a) above	 Nil 51.96*	 Nil 30.90**
(iii) shortfall at the end of the year	-	-
(iv) total of previous years shortfall	-	-
(v) reason for shortfall	NA	NA
(vi) details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA
*Includes Rs.8.63 million on "ongoing Projects" transferred to "Unspent CSR account" on 30 April 2024 ** Includes Rs.2.09 million on "ongoing Projects" transferred to "Unspent CSR account" on 28 April 2023.		

(vii) The Company has taken up CSR projects/programmes/activities in the following areas:

(a) Education
(b) Health Care
(c) Sanitation
(d) Environment preservation
(e) Other areas as approved by the CSR Committee/Board

The movement in the unspent CSR A/c is as under:

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening balance of unspent CSR A/c	8.04	16.18
Add: Addition during the year	8.63	2.09
Less: Utilisation during the year	6.07	10.23
Closing balance of unspent CSR A/c	**10.60**	**8.04**

Notes to the standalone financial statements for the year ended 31 March 2024

51. Summary of quarterly statements to banks

The Company is regular in submission of monthly statements of current assets with banks for the borrowings sanctioned against security of such assets. Below table represents the summary of reconciliation of the quarterly statements filed by the Company with banks:

Quarter	Name of Banks	Working capital limit	Nature of current assets offered as security	Amount as reported as per statements (A)	Amount as per books of accounts (B)	Differences (A) - (B) (refer note below)
March 2023	Working Capital Consortium Led by UCO Bank	2980.00	Inventories	3,315.82	3,315.82	-
			Trade receivables	3,956.64	3,956.64	-
			Trade payables	3,435.53	3,435.53	-
June 2023	Working Capital Consortium Led by UCO Bank	2980.00	Inventories	3,502.25	3,502.25	-
			Trade receivables	4,067.11	4,067.11	-
			Trade payables	3,616.67	3,616.67	-
September 2023	Working Capital Consortium Led by UCO Bank	2980.00	Inventories	3,565.56	3,565.56	-
			Trade receivables	4,311.58	4,311.58	-
			Trade payables	3,693.82	3,693.82	-
December 2023	Working Capital Consortium Led by UCO Bank	3500.00	Inventories	3,907.88	3,907.88	-
			Trade receivables	3,954.24	3,954.24	-
			Trade payables	3,799.34	3,799.34	-

The Company is yet to file statement for the quarter ended 31 March 2024 with the banks.

The working capital consortium comprises of UCO Bank (lead bank till 30 March 2024), State Bank of India, IDBI Bank (lead bank w.e.f. 30 March 2024, Axis Bank, HDFC Bank, Citi Bank, HSBC Bank, DBS Bank and ICICI Bank (newly inducted w.e.f. 30 March 2024).

52. Additional regulatory information

Particulars	Unit	Numerator	Denominator	Year ended 31 March 2024	Year ended 31 March 2023	Variances (%)
Current ratio	Times	Total current assets	Total current liabilities	2.32	2.50	-7%
Debt-Equity ratio	Times	Debt consist of borrowings	Total Equity	0.17	0.19	-8%
Debt service coverage ratio**	Times	Earnings for Debt service= Net profit after tax + depreciation + interest	Debt service = Interest and lease payments+ Principal repayments	12.68	20.39	-38%
Return on equity ratio*	%	Profit for the year	Average total equity	25.68	21.23	21%
Inventory turnover ratio	Times	Cost of Goods sold	Average inventory	6.04	5.67	6%
Trade receivables turnover ratio	Times	Sales of products	Average trade receivables	6.94	6.82	2%
Trade payables turnover ratio	Times	Cost of material + other expenses	Average trade payable	6.09	5.34	14%

Notes to the standalone financial statements for the year ended 31 March 2024

Particulars	Unit	Numerator	Denominator	Year ended 31 March 2024	Year ended 31 March 2023	Variances (%)
Net capital turnover ratio	Times	Sales of products	Average working capital (i.e Total current assets less Total current liabilities)	3.14	3.40	-8%
Net profit ratio*	%	Profit for the year	Sales of products	15.36	11.55	33%
Return on capital employed	%	Profit before tax and finance cost	Capital employed = Net worth + Debt	26.93	22.52	20%
Return on investment.	%	Income generated from invested funds	Average invested funds in treasury investment	6.19	6.81	-9%

* The variation is more than 20% over last year due to improvement in revenue/cost optimisation resulting into improved profit

** Due to repaymenet of term loan borrowings made by company during the year.

53. The Board pursuant to shareholder's approval in the annual general meeting held on 06 July 2023, allotted 22,024,912 equity shares as bonus share in the ratio of 1:1 to those shareholders who held shares as on record date i.e. 24 July 2023.

54. During the year, Company has acquired 62 % of equity share in SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) through its wholly owned subsidiary SPR Engenious Limited. Further, the Company has provided following corporate guarantee in favour of the bank to provide additional security against term loan granted by the bank:

Rs. million

Name of the step down subsidiary	Name of the bank	Amount of loan	Amount of guarantee
SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	HDFC Bank	1,100.00	1,100.00

55. The Company has invested Rs. 2,300.00 million (previous year: Rs. 1200.00 million) in SPR Engenious Limited (SEL), its wholly owned subsidiary (WOS), which has been incorporated on 26 September 2022 with the Registrar of Companies (Delhi & Haryana) through right issue with purpose of diversifying its product portfolio in the areas related to the automotive segment. During the year, the company has infused Rs. 700.00 million through subscription of equity share capital of SPR Engenious Limited (SEL), wholly owned subsidiary of the company. Further, SEL has infused Rs. 700.00 million by way of subscription to the equity share capital of SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited) (SPR-EMFI), step down subsidiary of the company. Accordingly, the shareholding of SEL in SPR-EMFI has increased from 51.00% to 66.42%. Accordingly, SEL became the material subsidiary in terms of Regulation 24(1) of SEBI Listing Regulations 2015. Further, SEL commenced manufacturing operations on 27 March 2024, at its facility located at Pithampur, Madhya Pradesh.

56. The Board of Directors of the Company in its meeting held on 08 February 2023 has approved acquisition of majority stake of 75% in SPR Takahata Precision India Pvt Ltd. (SPR-TPIPL) through SPR Engenious Limited (SEL), its wholly-owned subsidiary. The definitive agreements in connection with the acquisition transaction were executed on 09 February 2023.

Further, on 14 October 2023, the Board of Directors of the Company approved the proposal for amending the Share Purchase Agreement (SPA) and Shareholders' Agreement (SHA) in the form of addendums to the SPA and SHA dated 9 February 2023 with respect to acquisition of 62% stake in SPR-TPIPL through SEL. The acquisition of SPR-TPIPL has been completed on 16 October 2023. With this, SPR-TPIPL has become a step-down subsidiary of the Company.

57. The Company has no transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Notes to the standalone financial statements for the year ended 31 March 2024

58. (i) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(iii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

59. There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.

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

61. The Company is not declared wilful defaulter by any bank or financial institution or government or any government authority

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

63. During FY 2023-24, the Company has provided loans, made investment and given guarantee to its wholly owned subsidiary and its step down subsidiary pursuant to provisions of section 186 (4) to be utilised by them for the purpose of its normal business activity.

Rs. million

Particulars	As at 31 March 2023	Addition	Reduction	As at 31 March 2024
Investment in wholly owned subsidiary - SPR Engenious Limited	1,200.00	2,300.00	-	3,500.00
Investment in equity shares - Lalganj Power Private Limited	48.00	-	-	48.00
Corporate guarantee given on behalf of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	-	1,100.00	-	1,100.00
Inter-corporate loan - SPR Engenious Limited	-	148.40	148.40	-
Inter-corporate loan - SPR EMF Innovations Private Limited	-	20.00	20.00	-

*Unsecured loan for a period upto 6 months with interest rate ranging from 8.20 % p.a. - 8.60 % p.a.

64. Figures of previous year have been regrouped/ reclassified, wherever necessary, to correspond with the figures of the current period. The impact of such regrouping/ reclassification is not material to these standalone financial statements.

65. In terms of SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021, the company falls under the definition of "Large Corporate" (LC) as on 31 March 2024 based on following details:

Particulars	Amount in Rs. million
Outstanding Qualified Borrowings as on 31 March 2023	1,374.45
Outstanding Qualified Borrowings as on 31 March 2024	1,332.85
Highest credit rating of the company related to unsupported bank borrowing or plain vanilla bonds, which have no structuring/support built in	IND AA
Incremental borrowing during the financial year 2023-24	143.4
Borrowing by way of issuance of debt securities during the financial year 2023-24	NIL

In terms of SEBI Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/172 dated 19 October 2023, the Company has not made 25% of the incremental borrowings which amounts to Rs. 35.85 million, by way of issuance of debt securities during the financial year 2023-24 due to the following reasons:

i) The amount of borrowing required to be raised through debt securities is too insignificant.

ii) The cost of raising funds through debt securities for this small amount is not competitive.

Notes to the standalone financial statements for the year ended 31 March 2024

66. The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall only use such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such change were made and ensuring that the audit trail cannot be disabled. The new requirement is applicable with effect from the financial year beginning on 1 April 2023.

During the year, the audit trail (edit log) at the application level for the accounting software were operating for all relevant transactions recorded in the software.

However, the audit trail (edit logs) feature for any direct changes made at the database level was not enabled for the accounting software SAP ECC used for maintenance of books of account.

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

For and on behalf of the Board of Directors

Arun Tandon
Partner
Membership no. 517273

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 13 May 2024

Independent Auditor's Report

To the Members of Shriram Pistons & Rings Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Shriram Pistons & Rings Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure I, which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31 March 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Matter 1: Revenue recognition

Key audit matter	How our audit addressed the key audit matter
Revenue Recognition of sale of products (refer note 2.A.12 to the accompanying consolidated financial statements for material accounting policy information on revenue recognition and note 24 for the details of revenue recognised during the year.) Revenue from contracts with customers for the year ended 31 March 2024 is Rs. 30,427.90 million. The Company recognizes revenue from sale of products upon satisfaction of its performance obligation, i.e., transfer of control to the customer in accordance with the principles of Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115') Revenue, being one of the key performance indicators of the Company and its external stakeholders, is subject to high inherent risk of material misstatement, and is therefore determined to be an area involving significant risk in line with the requirements of the Standards on Auditing which required significant auditor attention.	Our audit procedures in relation to revenue recognition included, but were not limited to, the following: a) Understood the nature of revenue transactions, revenue recognition process and evaluated the appropriateness of the accounting policy adopted by the management in accordance with Ind AS 115; b) Evaluated the design and tested operating effectiveness of key controls around revenue recognition for a sample of transactions; c) Performed substantive testing on selected samples of revenue transactions recorded during the year, and transactions recorded during specific period before and after year end, by inspecting supporting documents such as customer contracts/ purchase orders, invoices, shipment terms, proofs of dispatch and delivery etc., to ensure the accuracy and completeness of revenue recorded for such transactions;

Key audit matter	How our audit addressed the key audit matter
Further, due to varying shipment terms with its customers across its operating markets, considerable efforts are required by the management on determining the timing of revenue recognition according to Ind AS 115. Considering the above along with the significance of amount, volume of transactions and varied terms of contracts with customers, we have identified revenue recognition as a key audit matter for the current year audit.	d) Performed substantive analytical procedures on revenue recognised during the year such customer wise variance analysis, Product wise analysis, to identify any unusual and/ or material variances; e) Tested unusual non-standard journal entries impacting revenue, selected based on risk-based criteria and f) Evaluated the appropriateness and adequacy of disclosures made in the accompanying consolidated financial statements in respect of revenue recognition in accordance with financial reporting framework.

Matter 2: Business Combination

Key audit matter	How our audit addressed the key audit matter
Business Combination accounting under Ind AS 103 (Refer note 2.A.11 to the accompanying consolidated financial statements for material accounting policy information on business combination and note 48 (a) for the details of business acquired during the year). On 16 October 2023, the Holding Company acquired 62% stake in SPR Takahata Precision India Private Limited ('SPR-TPIPL') through its wholly-owned subsidiary SPR Engenious Limited ('SEL') for a purchase consideration amounting to Rs. 675.09 million. With this, SPR-TPIPL has become a step-down subsidiary of the Holding Company. The share purchase agreement also includes a call option with SEL to buy remaining stake in SPR-TPIPL from the minority shareholders and a corresponding put option with the minority shareholders to ask SEL to purchase their shares during specified periods mentioned therein. Accordingly, the Group has recognised a put liability aggregating to Rs. 82.73 million, as further described in note 48 (a) to the accompanying consolidated financial statements, with respect to such options in accordance with the requirements of Ind AS 32, Financial Instruments Presentation. The Group has accounted for aforementioned business acquisition in accordance with Ind AS 103, "Business Combinations" ('Ind AS 103'), which requires the recognition of identifiable assets and liabilities at acquisition date fair values, with the excess of the acquisition price over the net assets acquired, recognised as goodwill. The allocation of the purchase price to identifiable assets and liabilities including intangibles and aforementioned options acquired was performed by external valuation experts using discounted cash flow method and multi-purpose excess earning method valuation models. The assumptions underpinning aforesaid fair valuation includes estimates of future cash flows, contributory asset charges, discount rate applied, etc., which are subject to high estimation uncertainty. Considering the materiality of the amount and management judgement involved and the significant auditor attention required to test such management estimates, we have identified the accounting for aforesaid business combination as a key audit matter for current year audit.	Our audit procedure included, but were not limited to, the following procedures: a) Obtained an understanding from the management with respect to business acquisition process and evaluated the design and tested the operating effectiveness of the Holding Company's controls over the accounting of business combination which includes valuation of identified assets and liabilities acquired under the business combination; b) Assessed appropriateness of the accounting policy adopted by the management in terms of the requirements of Ind AS 103; c) Obtained the understanding of the terms of agreements entered by the Company for the said acquisition to evaluate management's assessments; d) Evaluated the competence and objectivity of the management's experts engaged by the Holding Company to perform the purchase price allocation; e) Involved valuation specialists as auditor's experts to assist in evaluating the appropriateness of the valuation model and the key valuation assumptions used for fair valuation of assets and liabilities including identification and measurement of intangible assets, options and goodwill; f) Tested the projections included in the valuation models used above basis our understanding of the business and market conditions, with specific attention to inputs with high estimation uncertainty as identified by performing sensitivity analysis; g) Tested the arithmetical accuracy of the management computation as above; and h) Assessed the adequacy of the disclosures made in the accompanying consolidated financial statements in respect of the acquisition in accordance with the requirements of applicable accounting standards.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

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

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

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors.

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

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

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

Other Matter

15. The consolidated financial statements of the Group for the year ended 31 March 2023 were audited by the predecessor auditor, Deloitte Haskins & Sells, who have expressed an unmodified opinion on those consolidated financial statements vide their audit report dated 08 May 2023.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit, we report that the Holding Company and its 2 subsidiaries incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that 1 subsidiary incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary.

17. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

18. As required by section 143(3) of the Act, based on our audit we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

e) On the basis of the written representations received from the directors of the Holding Company, and its subsidiaries and taken on record by the Board of Directors of the Holding Company and its subsidiaries, covered under the Act, none of the directors of the Group companies, are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.

f) The modification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 18(b) above on reporting under section 143(3)(b) of the Act and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiaries covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' wherein we have expressed an unmodified opinion; and

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

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in note 39 to the consolidated financial statements;

ii. The Holding Company and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024.;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries during the year ended 31 March 2024;

iv. a. The respective managements of the Holding Company and its subsidiaries, incorporated in India whose financial statements have been audited under the Act have represented to us respectively that, to the best of their knowledge and belief, other than as disclosed in note 41 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiaries, ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiaries, incorporated in India whose financial statements have been audited under the Act have represented to us respectively that, to the best of their knowledge and belief, other than as disclosed in the note 59 to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The interim dividend declared and paid by the Holding Company during the year ended 31 March 2024 and until the date of this audit report is in compliance with section 123 of the Act.

The final dividend paid by the Holding Company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 15 (g) to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2024 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. As stated in note 65 to the consolidated financial statements and based on our examination which included test checks, except for the instances mentioned below, the Holding Company and its subsidiaries, in respect of financial year commencing on or after 1 April 2023, have used accounting softwares for maintaining their books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with other than the consequential impact of the exception given below.

a. The audit trail feature in the accounting software (Tally Prime 2.1) used for maintenance of accounting records of the subsidiary SPR Takahata Precision India Private Limited was not enabled from 1 April 2023 to 24 April 2023.

b. The audit trail feature in the accounting software (Tally Prime Gold release 4.0) used for maintenance of accounting records of subsidiary SPR EMF Innovations Private Limited was not enabled from 1 April 2023 to 09 February 2024.

c. The audit trail feature was not enabled at the database level for accounting software (SAP ECC) to log any direct data changes, used for maintenance of all accounting records by the Holding Company and subsidiary SPR Engenious Limited.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Arun Tandon
Partner
Membership No.: 517273
UDIN: 24517273BKEXFM2989

Place: New Delhi
Date: 13 May 2024

Annexure I

List of entities included in the Statement

S.No.	Name of the Holding Company
1.	Shriram Pistons & Rings Limited
	Name of subsidiaries
2.	SPR EMF Innovations Private Limited (Formerly EMF Innovations Private Limited) (with effect from 11 January 2023)
3.	SPR Engenious Limited (incorporated on 26 September 2022)
4.	SPR Takahata Precision India Private Limited (Formerly Takahata Precision India Private Limited) (with effect from 16 October 2023)

Annexure II

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Shriram Pistons & Rings Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

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

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion the Holding Company and its subsidiary companies which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Holding Company and its subsidiary companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Arun Tandon
Partner
Membership No.: 517273
UDIN: 24517273BKEXFM2989

Place: New Delhi
Date: 13 May 2024

Consolidated Balance Sheet as at 31 March 2024

Rs. million

	Note No.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	6,791.38	5,432.66
b) Capital work-in-progress	4	314.54	46.71
c) Goodwill	5	466.16	411.75
d) Other intangible assets	5	1,072.43	905.98
e) Right of use assets	6	1,009.74	971.62
f) Financial assets			
(i) Investments	7	48.00	48.00
(ii) Other financial assets	9	1,621.58	987.34
g) Deferred tax assets (net)	20	25.75	22.34
h) Other non-current assets	11	464.62	273.27
		11,814.20	**9,099.67**
Current assets			
a) Inventories	12	3,910.52	3,388.84
b) Financial assets			
(i) Investments	8	1,097.39	674.97
(ii) Trade receivables	13	4,760.55	3,965.90
(iii) Cash and cash equivalents	14	534.90	305.15
(iv) Other bank balances other than (iii) above	14	8,084.82	6,163.77
(v) Other financial assets	9	450.65	201.43
c) Current tax assets (net)	10	-	**0.90**
d) Other current assets	11	729.83	340.59
		19,568.66	**15,041.55**
TOTAL ASSETS		**31,382.86**	**24,141.22**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	15	440.50	220.25
b) Other equity	16	18,816.24	15,054.31
Equity attributable to owners of the Company		19,256.74	15,274.56
c) Non-controlling interest		948.79	449.81
Total equity		**20,205.53**	**15,724.37**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	17	2,070.98	1,460.18
(ii) Lease liabilities	37	260.87	276.44
(iii) Other financial liabilities	23	85.00	93.78
b) Provisions	18	320.53	287.22
c) Deferred tax liabilities (net)	20	373.47	301.87
d) Other non-current liabilities	19	19.75	5.21
		3,130.60	**2,424.70**
Current liabilities			
a) Financial liabilities			
(i) Borrowings	21	2,478.15	1,528.48
(ii) Lease liabilities	37	55.86	66.44
(iii) Trade payables	22		
- Total outstanding dues of micro enterprises and small enterprises		123.48	129.54
- Total outstanding dues of creditors other than micro enterprises and small enterprises		3,436.32	2,785.70
(iv) Other financial liabilities	23	1,053.01	725.33
b) Other current liabilities	19	663.64	582.08
c) Provisions	18	152.36	137.61
d) Current tax liabilities (net)	10	83.91	36.96
		8,046.73	**5,992.14**
TOTAL EQUITY AND LIABILITIES		**31,382.86**	**24,141.22**

See accompanying notes to the consolidated financial statements 1-65

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 13 May 2024

Consolidated Statement of Profit and Loss for the year ended 31 March 2024

Rs. million

		Note No.	For the Year ended 31 March 2024	For the Year ended 31 March 2023
I	Revenue from operations	24	30,893.25	26,093.28
II	Other income	25	852.71	466.63
III	**Total income (I+II)**		**31,745.96**	**26,559.91**
IV	**Expenses**			
	Cost of materials consumed	26	11,663.32	9,926.92
	Purchase of stock-in-trade		876.14	973.42
	(Increase) / decrease in inventories of finished goods, work-in-progress and stock-in-trade	27	(61.81)	81.87
	Employee benefits expense	28	4,594.77	4,095.13
	Finance costs	29	304.57	192.90
	Depreciation and amortisation expense	30	1,077.07	947.12
	Other expenses	31	7,400.58	6,412.37
	Total expenses		**25,854.64**	**22,629.73**
V	**Profit before tax (III-IV)**		**5,891.32**	**3,930.18**
VI	**Tax expense:**			
	i) Current tax	10	1,528.02	1,045.88
	ii) Deferred tax	20	(23.34)	(54.48)
			1,504.68	**991.40**
VII	**Profit for the year (V-VI)**		**4,386.64**	**2,938.78**
VIII	**Other comprehensive income**			
	A (i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the post employment defined benefit plans		89.58	117.17
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(22.57)	(29.49)
	B (i) Items that will be reclassified to profit or loss			
	a) Fair value change of cash flow hedge		(2.34)	13.87
	(ii) Income tax relating to items that will be reclassified to profit or loss		0.45	(3.49)
	Total other comprehensive income		**65.12**	**98.06**
IX	**Total comprehensive income (VII+VIII)**		**4,451.76**	**3,036.84**
X	**Profit attributable to:**			
	Owners of Shriram Pistons and Rings Limited		4,425.55	2,934.58
	Non- controlling interest		(38.91)	4.20
			4,386.64	**2,938.78**
XI	**Other comprehensive income**			
	Owners of Shriram Pistons and Rings Limited		65.39	98.06
	Non- controlling interest		(0.27)	-
			65.12	**98.06**
XII	**Total Comprehensive income**			
	Owners of Shriram Pistons and Rings Limited		4,490.94	3,032.64
	Non- controlling interest		(39.18)	4.20
			4,451.76	**3,036.84**
	Earnings per share (of Rs. 10/- each)	33		
	Basic (Rs)		100.47	66.62
	Diluted (Rs)		100.47	66.62

See accompanying notes to the consolidated financial statements 1-65

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 13 May 2024

Consolidated Statement of Cashflow for the year ended 31 March 2024

Rs. million

			Year ended 31 March 2024	Year ended 31 March 2023
A.	**Cash flow from operating activities**			
	Profit before tax		**5,891.32**	**3,930.18**
	Adjustments for :			
	Depreciation/amortisation (refer note 30)		1,077.07	947.12
	Finance costs (refer note 29)		304.57	192.90
	Bad debts/advances written off (refer note 31)		5.14	0.53
	Provision for doubtful debts (net) (refer note 31)		2.53	6.56
	Interest income		(660.87)	(326.85)
	Net gain on sale/ fair valuation of current investment		(49.95)	(32.25)
	Unrealised exchange rate variation (net)		(43.40)	(27.24)
	Loss / (profit) on sale / write off / retirement of property, plant and equipment		3.28	(28.35)
	Operating profit before working capital changes		**6,529.69**	**4,662.60**
	Adjustments for:			
	(Increase)/ decrease in inventories		(265.62)	20.83
	(Increase)/ decrease in trade receivables		(357.17)	(396.28)
	(Increase)/ decrease in other financial assets (current and non current)		(74.27)	(36.10)
	(Increase)/ decrease in other assets (current and non current)		(280.49)	(32.92)
	Increase/ (decrease) in trade payables		483.91	381.12
	Increase/ (decrease) in other financial liabilities (current and non current)		299.70	180.25
	Increase/ (decrease) in other liabilities and provisions (current and non current)		92.68	194.09
	Cash generated from operations		**6,428.43**	**4,973.59**
	Income tax paid		(1,561.14)	(1,021.82)
	Net cash generated from operating activities	**(A)**	**4,867.29**	**3,951.77**
B.	**Cash flow from investing activities**			
	Interest received		485.78	196.56
	Sale of property, plant and equipment		(3.28)	55.02
	Purchase of property, plant and equipment		(1,415.53)	(503.43)
	Purchase of intangible assets		(45.76)	(770.77)
	Purchase of current investment		(18,591.13)	(14,201.52)
	Proceeds from sale of current investment		18,218.66	13,830.54
	Investment in subsidiary (net of cash and cash equivalents acquired)		(364.75)	-
	Investment in margin money with banks		-	(49.71)
	Proceeds from redemption of investment in margin money with banks		50.44	-
	Investment in deposit with banks		(3,271.90)	(3,318.20)
	Proceeds from redemption of deposit with banks		721.52	-
	Net cash (used) in investing activities	**(B)**	**(4,215.95)**	**(4,761.51)**

Consolidated Statement of Cashflow for the year ended 31 March 2024

Rs. million

			Year ended 31 March 2024	Year ended 31 March 2023
C.	**Cash flow from financing activities**			
	Repayment of lease liabilities		(68.34)	(82.26)
	Interest paid on lease liability		(29.36)	(22.69)
	Interest paid on borrowing		(262.62)	(168.70)
	Dividend paid		(330.37)	(308.35)
	Proceeds from non-current borrowings		343.62	1,308.68
	Repayment of non-current borrowings		(620.38)	-
	Movement in short-term borrowings (net)		777.94	397.78
	Proceeds from deposits		-	11.33
	Repayment of deposits		(232.08)	(206.12)
	Net cash (used) in /generated from financing activities	**(C)**	**(421.59)**	**929.67**
	Net increase in cash and cash equivalents	**(A+B+C)**	**229.75**	**119.93**
	Cash and cash equivalents at the beginning of the year		**305.15**	**185.22**
	Cash and cash equivalents at the end of the year		**534.90**	**305.15**
	Components of cash and cash equivalents (refer note 14)			
	Cash in hand		0.53	0.43
	Balances with banks	-		
	- current accounts		254.37	304.72
	- Deposits with banks, with original maturity less than 3 months		280.00	-
			534.90	**305.15**

Notes to statement of cash flows:

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7.

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

For and on behalf of the Board of Directors

Arun Tandon
Partner
Membership no. 517273

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 13 May 2024

Consolidated Statement of Change in Equity as at 31 March 2024

a) Fully paid up equity shares
(face value of Rs. 10/- each)

	Nos of shares	Amount Rs. million
Balance as at March 31, 2022	2,20,24,912	220.25
Add: Issued during the year	-	-
Balance as at 31 March 2023	22,024,912	220.25
Add: - Issued during the year (refer note 53)	22,024,912	220.25
Balance as at 31 March 2024	**44,049,824**	**440.50**

(b) Other Equity

Rs. million

Particulars	Reserves and surplus						Items of other comprehensive income	Equity component of compound financial instrument	Total	Non-Controlling interest
	Preference share redemption reserve*	Capital redemption reserve*	Revaluation reserve*	Retained earnings	General reserve	Sub Total	Effective portion of cash flow hedge reserve			
Balance as at 31 March 2022	**388.58**	**3.50**	**97.29**	**1,300.00**	**10,550.72**	**12,340.09**	**(10.05)**	**-**	**12,330.04**	**-**
Profit for the year	-	-	-	2,934.58	-	2,934.58	-	-	2,934.58	4.20
Reversal on disposal of revalued assets	-	-	(0.02)	-	-	(0.02)	-	-	(0.02)	-
Dividends	-	-	-	(308.35)	-	(308.35)	-	-	(308.35)	-
Non-controlling interest on business combination during the year (refer note 48 b)	-	-	-	-	-	-	-	-	-	445.61
Other comprehensive income for the year, net of tax	-	-	-	87.68	-	87.68	10.38	-	98.06	-
Transfer to general reserve	-	-	-	(2,713.91)	2,713.91	-	-	-	-	-
Balance as at 31 March 2023	**388.58**	**3.50**	**97.27**	**1,300.00**	**13,264.63**	**15,053.98**	**0.33**	**-**	**15,054.31**	**449.81**
Profit for the year	-	-	-	4,425.55	-	4,425.55	-	-	4,425.55	(38.91)
Used for issuance of bonus shares	(220.25)	-	-	-	-	(220.25)	-	-	(220.25)	-
Reversal on disposal of revalued assets	-	-	(0.02)	-	-	(0.02)	-	-	(0.02)	-
Dividends (refer note 15 h)	-	-	-	(330.37)	-	(330.37)	-	-	(330.37)	-
Non-controlling interest on business combination during the year (refer note 48 a)	-	-	-	-	-	-	-	-	-	413.80
Change in ownership interest (refer note 51)	-	-	-	(124.37)	-	(124.37)	-	-	(124.37)	124.37
Equity component of compound financial instrument	-	-	-	-	-	-	-	28.72	28.72	-
Put liability recognised (refer note 23)	-	-	-	(82.73)	-	(82.73)	-	-	(82.73)	-
Other comprehensive income for the year, net of tax	-	-	-	67.03	-	67.03	(1.62)	-	65.41	(0.27)
Transfer to general reserve	-	-	-	(3,955.11)	3,955.11	-	-	-	-	-
Balance as at 31 March 2024	**168.33**	**3.50**	**97.25**	**1,300.00**	**17,219.74**	**18,788.81**	**(1.29)**	**28.72**	**18,816.24**	**948.79**

* The revaluation reserve, preference share redemption reserve and capital redemption reserve are not "free reserve" as per Companies Act 2013, hence not available for distribution of dividend.

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 13 May 2024

Notes to the consolidated financial statements for the year ended 31 March 2024

1. Corporate information

The consolidated financial statements comprise financial statements of Shriram Pistons & Rings Limited ("the Holding Company") having CIN No.- L29112DL1963PLC004084 and its subsidiaries (collectively referred as "the Group") for the year ended 31 March 2024.

The Group is engaged in the business of manufacturing of auto components including pistons, piston pins, piston rings, engine valves, electric motors, motor controllers for the electric vehicles & other applications, precision moulded resin parts, precision metal moulds and assembled resin parts. The consolidated financial statements have been approved for issuance by the Holding Company's Board of Directors on 13 May 2024.

2. (A) Material accounting policy information

2.A.1.1 Basis of accounting and preparation of financial statements

The consolidated financial statements ("financial statements") have been prepared in accordance with the Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 and Companies (Indian Accounting Standards) Amendment Rules, 2017 issued by the Ministry of Corporate Affairs ('MCA').

The financial statements have been prepared under historical cost convention on accrual and going concern basis, except for the following assets and liabilities:-

i) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

ii) Investments in unquoted equity shares measured at fair value

iii) Defined benefit liabilities are measured at present value of defined benefit obligation.

iv) Certain financial assets and liabilities at amortised cost

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The buyback of equity shares and related transaction costs are recorded as reduction of retained earnings/ general reserves. Capital redemption reserve is created as an apportionment from general reserves.

The financial statements are presented in INR "(Indian Rupees)" and all values are rounded to the nearest million, except when otherwise indicated.

2.A.1.2 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

- Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities

- Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

- Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

2.A.1.3 Basis of consolidation

The consolidated financial statements of the Holding Company and its subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses. All intragroup assets and liabilities, equity, income, expenses, unrealised gain on transactions and cash flows relating to transactions between Group companies are eliminated in full on consolidation.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Holding Company's separate financial statements.

The consolidated financial statements incorporate the financial statements of the Holding Company and its subsidiaries. Control is achieved when the Holding Company:

- has power over the investee;

- is exposed, or has rights, to variable returns from its involvement with the investee; and

- has the ability to use its power to affect its returns.

The Holding Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Holding Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Holding Company considers all relevant facts and circumstances in assessing whether or not the Holding Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Holding Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

- potential voting rights held by the Holding Company, other vote holders or other parties;

- rights arising from other contractual arrangements; and

- any additional facts and circumstances that indicate that the Holding Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiaries begins when the Holding Company obtains control over the subsidiaries and ceases when the Holding Company loses control of the subsidiaries. Specifically, income and expenses of a subsidiaries acquired or disposed off during the year are included in the consolidated statement of profit and loss and other comprehensive income from the date the Holding Company gains control until the date when the Holding Company ceases to control the subsidiaries.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Holding Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Holding Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

The financial statements of the entities used for the purpose of consolidation are drawn up to same reporting date as that of the Group i.e. year ended 31 March 2024.

Notes to the consolidated financial statements for the year ended 31 March 2024

S. No.	Name of the Company	Country of Incorporation	Relationship as at 31 March 2024	Percentage of effective ownership interest held (directly or indirectly)	
				31 March 2024	31 March 2023
1.	SPR Engenious Limited	India	Subsidiary of Shriram Pistons & Rings Limited	100.00%	100.00%
2.	SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	India	Subsidiary of Shriram Pistons & Rings Limited	66.42%	51.00%
3.	SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	India	Subsidiary of Shriram Pistons & Rings Limited	62.00%	-

2.A.1.4 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification:

The Group classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it is expected to be settled in normal operating cycle;
- it holds the liability for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

The Group's normal operating cycle is twelve months.

2.A.2 Significant accounting judgements, estimates and assumptions.

The preparation of the financial statements is in conformity with Indian Accounting Standards (Ind AS) and requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported income and expenses during the year. The management believes that the estimates used in

preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise information, about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes.

- **Deferred tax:** Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.
- **Impairment of financial assets and non-financial assets and goodwill:** The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained. The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

- **Useful lives of depreciable/amortisable assets:** value of property, plant and equipment and intangibles at the end of each reporting period. Factors such as changes in the expected level of usage could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and may have an impact on the profit of the future years.
- **Estimation of defined benefit obligation:** Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the

employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- **Estimation for expected credit losses of trade receivables:** Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management believes that there is uncertainty of collections. Provision is recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.
- **Incremental rate of borrowing for lease accounting:** The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

2.A.3.1 Property, plant and equipment

Property, plant and equipment held for use in production or supply of goods and services, or for administrative purpose, are stated at historic cost, net of accumulated depreciation (net of input tax credits availed) including taxes and other incidental expenses related to acquisition, installation and borrowing cost on loan taken for the acquisition of qualifying assets upto the date the assets are ready for their intended use. Subsequent measurement of property, plant and equipment is done in accordance with cost model.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

Subsequent expenditure can be capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Group.

An item of property, plant and equipment is derecognised on disposal, or when no future economic benefit are expected to arise from the continued use of assets. Any gain and loss arising on the disposal of or retirement is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the statement of profit and loss.

2.A.3.2 Intangible assets

Intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the entity and the cost of the asset can be reliably measured.

Intangible assets held for use in production or supply of goods and services, or for administrative purpose, are stated at are stated at historic cost, net of accumulated depreciation (net of input tax credits availed) including taxes and other incidental expenses related to acquisition, installation and borrowing cost on loan taken for the acquisition of qualifying assets upto the date the assets are ready for their intended use.

An item of intangible asset is derecognised on disposal, or when no future economic benefit are expected to arise from the continued use of assets. Any gain and loss arising on the disposal of or retirement is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the statement of profit and loss. Subsequent measurement of intangible assets is done in accordance with cost model.

2.A.3.3 Capital work-in-progress

Capital work-in-progress represents expenditure incurred in respect of capital projects under development and are carried at cost. Cost includes related acquisition expenses, development/ construction costs,

borrowing costs and other direct expenditure. Subsequent measurement of capital work-in-progress is done in accordance with cost model.

2.A.3.4 Leases

Lessee Accounting

1. Lease liability is recognised at the commencement of lease and measured at an amount equal to the present value of minimum lease payments during the lease term that are not yet paid.
2. Right of use asset is recognised at the commencement of lease and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of the restoration costs and any initial direct costs incurred by the lessee. Right-of-use assets are amortized on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets and impairment loss. Subsequent measurement of right-of-use assets is done in accordance with cost model.
3. The lease liability is measured in subsequent periods using the effective interest rate method.
4. Recognition and measurement exemption is availed for low-value assets and short-term leases. Assets of low value include IT equipment or office furniture. No monetary threshold has been defined for low-value assets. Short-term leases are defined as leases with a lease term of 12 months or less.

2.A.4 Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

The Group is following written down value method in case of Furniture, fixtures and office equipment and straight line method in respect of other assets.

Depreciation on tangible property, plant and equipment has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the certain categories of assets, in whose case the life of the assets has been assessed based on technical advice, taking into account the nature, the estimated usage, operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance practices etc. Following are the estimated useful lives of various category of assets used:

Factory building	-	thirty years
Office building	-	sixty years
Factory wall fencing	-	five years
Plant and equipment		
- General	-	eight - twenty years
- Electric installation / equipment	-	five- fifteen years
- Plant and equipment- welding	-	fifteen years
- Spares	-	five years
- Plastic crates	-	fifteen years
- Moulds	-	six years
- Dies - three years		
Road	-	twenty years
Bore well	-	fifteen years
Vehicle	-	five - eight years
Furniture and fixture / Office equipment	-	five - ten years
Computer	-	three years

Notes to the consolidated financial statements for the year ended 31 March 2024

All intangible assets are amortised on straight-line method over their estimated useful life as under.

Computer software	-	three years
Product design	-	three years
Enabling assets	-	fifteen years
Intellectual property	-	ten years
Trademarks acquired on acquisition	-	ten years
Customer contracts acquired on acquisition	-	ten years
Non-compete agreements acquired on acquisition	-	nine years
Customer order book acquired on acquisition	-	one and a half years
Customer relationships acquired on acquisition	-	ten years

Assets costing up to Rs. 5,000 are fully depreciated in the year of acquisition.

Depreciation on assets acquired/sold/discarded during the year is charged on pro-rata basis except for furniture, fixtures and equipments where full year's depreciation is computed in the year of acquisition and no depreciation is provided in the year of sale.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and the effect of any changes in estimate is accounted for on a prospective basis.

2.A.5 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

Financial assets

All regular way purchases or sales of financial assets are accounted for at trade date basis. Regular way purchases or sales are purchase or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost

i) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

i) The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

Financial asset which are not classified in any of the above categories are subsequently measured at fair value through profit or loss (FVTPL).

Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. The average credit period is 20-55 days.

Investments

Investments in mutual funds and investment in equity instrument are measured at fair value through profit or loss.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost or at fair value through profit or loss (FVTPL). For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Fair value is determined in the manner described in note 42.

2.A.6 Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and cross currency interest rate swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

(i) Financial assets or financial liabilities, at fair value through profit or loss.

This category has derivative financial assets or liabilities which are not designated as hedges. Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through the statement of profit and loss and the resulting exchange gains or losses are included in the statement of profit and loss. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance sheet date.

(ii) Hedge accounting

The Group designates the derivatives as hedge of foreign exchange risk associated with the cash flows of highly probable forecast transaction.

The Group documents at the inception of the hedging transaction the economic relationship between hedging instrument and hedge items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

When forward contracts are used to hedge forecast transactions, the Group generally designates related forward contract related as the hedging instruments.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognised in other comprehensive income and accumulated under the heading of cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to the statement of profit and loss in the periods when the hedged item affects profit or loss, in the same line

as the recognised hedged item. For the same, Group matches critical terms of hedge item and hedge instruments.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction and cross currency interest rate swap transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction and cross currency interest rate swap transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

Fair value is determined in the manner described in note 42.

2.A.7 Employee benefits

Retirement benefit costs and termination benefits:

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

Contribution towards Provident Fund and Superannuation Fund is paid as per the statutory provisions/ Holding Company's scheme. These benefits are charged to the statement of profit and loss of the year when they become due. For the provident fund trust administrated by the trustees, the Holding Company is liable to meet the shortfall, if any, in payment of interest at the rates declared by Central Government and such liability is recognised in the year of shortfall. For defined post-employment employee benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

i) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

ii) Net interest expense or income; and

iii) Re-measurement.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Leave availment / encashment benefit is provided as per Group's scheme. Employees are entitled to accumulate leaves subject to certain limit as per Group's scheme.

Liabilities for compensated absence that are not expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service, are measured at the present value of expected future payment to be made in respect of service provided by employees up to the end of reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of reporting period. Remeasurement as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss.

Notes to the consolidated financial statements for the year ended 31 March 2024

Employee benefits in the form of long service awards is provided as per Holding Company scheme. The liability is determined through actuarial valuation using projected unit credit method.

2.A.8 Taxes on income

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.A.9 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.A.10 Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.

When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.

2.A.11 Business Combination and goodwill

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. Acquisition related costs are recognised in profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except certain assets and liabilities that are required to be measured as per the applicable standard. Purchase consideration in excess of the Holding Company's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognised as goodwill. Excess of the Holding Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognised, after reassessment of fair value of net assets acquired, in the Capital Reserve. The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

2.A.12 Revenue recognition

Sale of products/services

The group recognize revenue from the sale of products or services upon transfer of control to customers. Revenue is measured at the amount of consideration which the Group expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example, taxes and duties collected on behalf of the government). A receivable is recognized upon satisfaction of performance obligations as per the contracts and is measured at transaction price.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Notes to the consolidated financial statements for the year ended 31 March 2024

Export benefits

Export benefit entitlements is in the nature of income, and are recognised when the right to receive benefit is established in respect of the exports made and the realisation is reasonably certain.

2.A.13 Inventories

Inventories are valued at lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition is accounted for as follows:

i) **Raw materials, loose tools and store and spares :** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Raw materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

ii) **Work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

iii) **Finished goods:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

iv) **Stock-in-trade:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(B) Other accounting policy information

2.B.1 Other income

Interest Income

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

Miscellaneous income

Other revenues are recognised on accrual basis, except where there are uncertainties in realisation/ determination of income and in such case income is recognised on realisation / certainty.

2.B.2 Foreign currency transactions and translations

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing on or closely approximating to the date of transaction.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except exchange differences on transactions entered into in order to hedge certain foreign currency risks.

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

2.B.3 Research and development

Revenue expenditure on research and development, inclusive of dies for new model development, is charged as expense in the year in which incurred. Capital expenditure is included in Property, plant, equipment and intangible assets.

Notes to the consolidated financial statements for the year ended 31 March 2024

2.B.4 Borrowing costs

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

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

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

2.B.5 Earnings per share

Basic earnings per share is calculated by dividing profit or loss attributable to the owners of the Group by weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split and any new equity issue.

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

2.B.6 Impairment of assets

The carrying values of Property, plant and equipment, right of use assets and intangible assets or cash generating units are reviewed at each Balance sheet date for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the statement of profit and loss.

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

2.B.7 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. The Group is primarily engaged in the manufacturing and assembling of automotive components for the automotive industry. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risk and returns hence CODM reviews as one balance sheet component.

(C) Recent accounting pronouncements which are not yet effective

As on the date of these consolidated financial statements, Ministry of Corporate Affairs ('MCA') has not issued any standards/amendments to accounting standards which are effective from 1 April 2024.

Notes to the consolidated financial statements for the year ended 31 March 2024

3. Property, plant & equipment

Rs. million

Particulars	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Dies	Total
As at 31 March 2023							
Gross carrying amount							
Opening gross carrying amount	1,632.06	9,530.36	60.35	126.18	201.95	159.78	11,710.68
Additions	51.17	302.44	6.07	47.54	36.09	41.56	484.87
Addition pursuant to business combination (refer note 48 b)	13.85	23.97	1.51	0.07	3.37	-	42.77
Disposals	(1.99)	(9.97)	(5.97)	(128.09)	(17.31)	(16.96)	(180.29)
Closing gross carrying amount as at 31 March 2023	**1,695.09**	**9,846.80**	**61.96**	**45.70**	**224.10**	**184.38**	**12,058.03**
Accumulated depreciation							
Opening accumulated depreciation	422.91	5,121.35	48.51	86.80	154.79	112.97	5,947.33
Depreciation charged during the year	66.85	681.39	6.30	20.35	32.22	22.52	829.63
Disposals	(1.52)	(6.93)	(5.33)	(107.15)	(14.61)	(16.05)	(151.59)
Closing accumulated depreciation as at 31 March 2023	**488.24**	**5,795.81**	**49.48**	**-**	**172.40**	**119.44**	**6,625.37**
Net carrying amount as at 31 March 2023	**1,206.85**	**4,050.99**	**12.48**	**45.70**	**51.70**	**64.94**	**5,432.66**
As at 31 March 2024							
Gross carrying amount							
Opening gross carrying amount	1,695.09	9,846.80	61.96	45.70	224.10	184.38	12,058.03
Additions	161.18	705.20	12.14	0.74	79.20	39.97	998.43
Addition pursuant to business combination (refer note 48 a)	325.39	892.49	1.87	4.29	4.60	-	1,228.64
Disposals	(0.44)	(34.32)	(4.90)	(9.59)	(25.18)	(10.10)	(84.53)
Closing gross carrying amount as at 31 March 2024	**2,181.22**	**11,410.17**	**71.07**	**41.14**	**282.72**	**214.25**	**14,200.57**
Accumulated depreciation							
Opening accumulated depreciation	488.24	5,795.81	49.48	-	172.40	119.44	6,625.37
Depreciation charged during the year	77.21	670.86	10.61	10.22	53.13	29.66	851.69
Disposals	(0.20)	(24.76)	(4.43)	(7.00)	(21.89)	(9.59)	(67.87)
Closing accumulated depreciation as at 31 March 2024	**565.25**	**6,441.91**	**55.66**	**3.22**	**203.64**	**139.51**	**7,409.19**
Net carrying amount as at 31 March 2024	**1,615.97**	**4,968.26**	**15.41**	**37.92**	**79.08**	**74.76**	**6,791.38**

Notes:

i) The Group has not revalued property, plant and equipment during the year.

ii) The above assets are pledged as security against borrowings, refer note no. 17 and 21.

Notes to the consolidated financial statements for the year ended 31 March 2024

4. Capital-work-in progress (CWIP)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	46.71	46.94
Additions during the year	1,186.13	407.60
Addition pursuant to business combination (refer note 48 a)	12.16	-
Capitalised / adjusted during the year	(930.46)	(407.83)
Balance at the end of the year	**314.54**	**46.71**

Note:

1. The capital-work-in-progress mainly consist of property, plant and equipment under construction / installation and which are not ready for use at year end.
2. There are no such projects under capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan as of 31 March 2024 and 31 March 2023.

Capital-work-in progress ageing schedule is as under:

Rs. million

Particulars	As on 31 March 2024				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	292.17	20.87	-	-	313.04
Projects temporarily suspended	-	1.50	-	-	1.50

Rs. million

Particulars	As on 31 March 2023				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	46.11	0.31	0.29	-	46.71
Projects temporarily suspended	-	-	-	-	-

Notes:

a) The above assets are pledged as security against borrowings, refer note no. 17 and 21.

b) *The projects in progress as on 31 March 2024 will be completed within 1 year.

5. Goodwill and other intangible assets

Rs. million

Particulars	Goodwill	Other intangible assets									
		Computer software	Product design and development	Enabling assets	Customer contracts	Customer relationships	Trademarks	Technology	Non-compete	Sub total	Grand Total
As at 31 March 2023											
Gross carrying amount											
Opening gross carrying amount	14.85	88.62	72.47	85.59	114.36	-	103.78	-	-	464.82	479.67
Additions	-	7.11	19.80	-	-	-	-	2.12	-	29.03	29.03
Addition pursuant to business combination (refer note 48 b)	396.90	-	-	-	-	-	-	522.08	178.13	700.21	1,097.11
Disposals	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount as at 31 March 2023	**411.75**	**95.73**	**92.27**	**85.59**	**114.36**	**-**	**103.78**	**524.20**	**178.13**	**1,194.06**	**1,605.81**

Notes to the consolidated financial statements for the year ended 31 March 2024

Rs. million

Particulars	Goodwill	Other intangible assets									
		Computer software	Product design and development	Enabling assets	Customer contracts	Customer relationships	Trademarks	Technology	Non-compete	Sub total	Grand Total
Accumulated amortization											
Opening accumulated depreciation	-	73.19	65.38	15.61	45.75	-	41.51	-	-	241.44	241.44
Depreciation / amortisation charged during the year	-	2.92	6.31	5.57	11.44	-	10.38	7.21	2.81	46.64	46.64
Disposals	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at 31 March 2023	**-**	**76.11**	**71.69**	**21.18**	**57.19**	**-**	**51.89**	**7.21**	**2.81**	**288.08**	**288.08**
Net carrying amount as at 31 March 2023	**411.75**	**19.62**	**20.58**	**64.41**	**57.17**	**-**	**51.89**	**516.99**	**175.32**	**905.98**	**1,317.73**
As at 31 March 2024											
Gross carrying amount											
Opening gross carrying amount	411.75	95.73	92.27	85.59	114.36	-	103.78	524.20	178.13	1,194.06	1,605.81
Additions	-	5.56	39.35	0.85	-	-	-	-	-	45.76	45.76
Addition pursuant to business combination (refer note 48 a)	69.53	5.28	-	-	44.60	184.50	-	-	32.70	267.08	336.61
Disposals / adjustments	(15.12)	(2.41)	-	-	-	-	-	-	-	(2.41)	(17.53)
Closing gross carrying amount as at 31 March 2024	**466.16**	**104.16**	**131.62**	**86.44**	**158.96**	**184.50**	**103.78**	**524.20**	**210.83**	**1,504.49**	**1,970.65**
Accumulated amortization											
Opening accumulated depreciation	-	76.11	71.69	21.18	57.19	-	51.89	7.21	2.81	288.08	288.08
Depreciation / amortisation charged during the year	-	5.08	19.30	5.59	25.10	8.33	10.38	45.42	27.19	146.39	146.39
Disposals	-	(2.41)	-	-	-	-	-	-	-	(2.41)	(2.41)
Closing accumulated depreciation as at 31 March 2024	**-**	**78.78**	**90.99**	**26.77**	**82.29**	**8.33**	**62.27**	**52.63**	**30.00**	**432.06**	**432.06**
Net carrying amount as at 31 March 2024	**466.16**	**25.38**	**40.63**	**59.67**	**76.67**	**176.17**	**41.51**	**471.57**	**180.83**	**1,072.43**	**1,538.59**

The Group has not revalued its other intangible assets during the year.

a) Impairment testing of goodwill

The Group performs test for goodwill impairment at least annually on 31 March or if indicators of impairment arise, such as the effects of obsolescence, demand, competition and other economic factors or on occurrence of an event or change in circumstances that would more likely than not reduce recoverable value below its carrying amount. When determining the value in use, we utilize various assumptions, including operating results, business plans and projections of future cash flows.

For the purpose of impairment testing, goodwill is allocated to a cash generating unit, representing the lowest level with the Group at which goodwill is monitored for internal management purposes and which is not higher that the Company's operating segment. During the year, the management has reviewed the carrying value of its goodwill against the recoverable value of these cash generating units, using internal and external information available. The management believes that any reasonable possible change in the key assumptions would not cause the cash generating units' carrying amount ot exceed its recoverable amount.

Notes to the consolidated financial statements for the year ended 31 March 2024

b) Changes in the net carrying amount of goodwill is summarised as below:

Rs. million

	As at 31 March 2024	As at 31 March 2023
Opening balance	411.75	14.85
Additions (refer note 48)	69.53	396.90
Deletions (refer note 41)	(15.12)	-
Closing balance	**466.16**	**411.75**

For the purpose of impairment testing, goodwill is allocated to a cash generating unit, representing the lowest level with the Group at which goodwill is monitored for internal management purposes and which is not higher than the Group's operating segment.

c) The carrying amount of goodwill was allocated to the cash generating units as follows:

Rs. million

	As at 31 March 2024	As at 31 March 2023
SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	69.53	-
SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	381.78	396.90
Others	14.85	14.85
	466.16	**411.75**

d) Impairment

An impairment test was carried out as at the balance sheet date, details of the test are as outlined below:

Rs. million

	As at 31 March 2024	As at 31 March 2023
Discount rate	14.1% - 20.7%	20.50%
Growth rate	4.00%	4.00%
Number of years for which cash flows were considered*	5-6	5
Test result	**No impairment**	**No impairment**

*The management believes that the cash generating units have ability to forecast cash flows over a longer period.

Growth rates

The growth rates used are in line with the growth rate of the industry in which the entities operates and are consistent with internal / external sources of information.

Discount rates

The discount rates takes into consideration market risk and specific risk factors of the cash generating unit. The cash flow projections are based on the forecasts made by the management.

Sensitivity

The management believes that any reasonable possible changes in the key assumptions would not cause the cash generating unit's carrying amount to exceed its recoverable amount.

Notes to the consolidated financial statements for the year ended 31 March 2024

6. Right of use assets

Rs. million

Particulars	Right of use assets (refer note 37)			
	Land	Building	Motor car	Total
As at 31 March 2023				
Gross carrying amount				
Opening gross carrying amount	688.78	386.73	-	1,075.51
Additions	280.77	66.96	34.38	382.11
Addition pursuant to business combination (refer note 48 b)	2.69	28.75	-	31.44
Disposals	(259.74)	-	-	(259.74)
Closing gross carrying amount as at 31 March 2023	**712.50**	**482.44**	**34.38**	**1,229.32**
Accumulated amortization				
Opening accumulated depreciation	18.49	168.36	-	186.85
Depreciation / amortisation charged during the year	8.48	60.91	1.46	70.85
Closing accumulated depreciation as at 31 March 2023	**26.97**	**229.27**	**1.46**	**257.70**
Net carrying amount as at 31 March 2023	**685.53**	**253.17**	**32.92**	**971.62**
As at 31 March 2024				
Gross carrying amount				
Opening gross carrying amount	712.50	482.44	34.38	1,229.32
Additions	-	24.12	22.10	46.22
Addition pursuant to business combination (refer note 48 a)	74.99	-	-	74.99
Disposals	(1.92)	(16.63)	-	(18.55)
Closing gross carrying amount as at 31 March 2024	**785.57**	**489.93**	**56.48**	**1,331.98**
Accumulated amortization				
Opening accumulated depreciation	26.97	229.27	1.46	257.70
Depreciation / amortisation charged during the year	9.91	60.02	9.06	78.99
Disposals	-	(14.45)	-	(14.45)
Closing accumulated depreciation as at 31 March 2024	**36.88**	**274.84**	**10.52**	**322.24**
Net carrying amount as at 31 March 2024	**748.69**	**215.09**	**45.96**	**1,009.74**

Note: The right of use assets (land) of Group is mortgaged as security against borrowings, refer note no. 17 and 21.

7. Investments - Non-current

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Rs. million	No. of shares	Rs. million
Non-current investments (Unquoted)				
Investment carried at Fair value through statement of Profit or Loss				
3,636,364 (previous year: 31 March 2023: 3,636,364) shares of Rs. 10 each fully paid up in M/s Lalganj Power Private Limited	3,636,364	48.00	3,636,364	48.00
	3,636,364	**48.00**	**3,636,364**	**48.00**
Aggregate book value of unquoted investments		48.00		48.00
Aggregate value of impairment in value of investments		-		-

Notes to the consolidated financial statements for the year ended 31 March 2024

8. Investments - current (Unquoted)

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Rs. million	No. of shares	Rs. million
Carried at fair value through Statement of Profit and loss				
Investment in Mutual fund (Liquid fund) Units of Face value of Rs 1000 each				
- nil units (previous year: 126,846) Axis Overnight Fund Direct Growth		-		150.38
- nil units (previous year: 3,855) SBI Overnight Fund Direct growth		-		14.07
- 18,656 units (previous year: 3,433) SBI Liquid Fund Direct Growth		70.51		12.10
- nil units (previous year: 1,740) UTI Overnight Fund -Direct Plan - Growth		-		5.34
- 1,15,935 units (previous year: 31,833) UTI Liquid Fund - Direct Plan Growth		458.86		117.44
- 102,635 units (previous year: 97,111) AXIS Liquid Fund - Direct Growth		275.44		242.86
- 98,579 units (previous year: 59,218) HSBC liquid fund direct Growth		237.19		132.78
- 25,978 units (previous year: nil) Sundaram Liquid Fund - Direct plan - LFZG		55.39		-
		1,097.39		**674.97**
Aggregate book value of unquoted investments		1,092.15		673.01
Aggregate market value of unquoted investments		1,097.39		674.97
Aggregate value of impairment in value of investments		-		-

9. Other financial assets

(At amortised cost excluding derivative instrument)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Bank deposit more than 12 months	1,350.86	721.52
Security deposits	209.70	195.48
Derivative instrument (refer note 42)	20.02	19.90
Call option asset* (refer note 48 a)	41.00	-
Deposit with banks held as margin money	-	50.44
	1,621.58	**987.34**
Current:		
Security deposits	5.87	3.75
Interest accrued on deposits	367.30	192.20
Derivative instrument (refer note 42)	7.95	5.48
Deposit with banks held as margin money	69.53	-
	450.65	**201.43**

Notes to the consolidated financial statements for the year ended 31 March 2024

10. Tax assets/ (liabilities) net

a) Current tax liabilities (net)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Advance income tax	1,439.84	1,008.92
less: provision for income tax	(1,523.83)	(1,045.88)
Net	**(83.91)**	**(36.96)**

b) Current tax assets (net)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Advance income tax	-	0.90
less: provision for income tax	-	-
Net	**-**	**0.90**

11. Other assets

(Unsecured, considered good unless stated otherwise)

Rs. million

		As at 31 March 2024	As at 31 March 2023
Non-current:			
i)	Capital advances	242.19	64.09
ii)	Advances other than capital advances recoverable in cash or in kind or for value to be received		
	Unsecured, considered good	-	2.11
	Unsecured, considered doubtful	-	-
		-	**2.11**
iii)	Export incentive receivable		
	Unsecured, considered good	9.68	13.67
	Unsecured, considered doubtful	4.66	3.57
		14.34	17.24
	Provision for doubtful advances	(4.66)	(3.57)
		9.68	**13.67**
iv)	Balance with government authorities	14.64	-
v)	Prepaid expenses	15.58	10.99
vi)	Other assets		
	Unsecured, considered good*	182.53	182.41
	Unsecured, considered doubtful	-	-
		464.62	**273.27**

*Other assets - non current, represents paid under protest to government authorities. Also, it includes Rs. 0.22 million (previous year: nil) of surplus in gratuity contribution of subsidiary.

Notes to the consolidated financial statements for the year ended 31 March 2024

Rs. million

	As at 31 March 2024	As at 31 March 2023
Current:		
i) Advances other than capital advances recoverable in cash or in kind or for value to be received		
Unsecured, considered good	141.94	118.88
Unsecured, considered doubtful	15.65	14.60
	157.59	133.48
Provision for doubtful advances	(15.72)	(14.60)
	141.87	**118.88**
ii) Export incentive receivable		
Unsecured, considered good	13.84	22.61
Unsecured, considered doubtful	0.24	0.72
	14.08	23.33
Provision for doubtful advances	(0.24)	(0.72)
	13.84	**22.61**
iii) Balance with government authorities	182.78	77.87
iv) Prepaid expenses	56.22	43.61
v) Other assets		
Unsecured, considered good*	335.12	77.62
Unsecured, considered doubtful	3.83	3.83
	338.95	81.45
Provision for doubtful assets	(3.83)	(3.83)
	335.12	**77.62**
	729.83	**340.59**

*Other assets majorly includes Rs. 271.83 million (previous year Rs. 51.17 million) of surplus in Shriram Pistons & Rings Limited Gratuity Fund Trust.

12. Inventories

(valued at lower of cost or net realisable value)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Raw material and components (includes in transit Rs. 49.70 million (previous year: Rs. 29.06 million))	1,016.40	727.42
Work-in-progress (includes in transit Rs. 4.51 million (previous year: Rs. 8.09 million))	991.17	1,000.67
Finished goods (includes in transit Rs. 75.38 million (previous year: Rs. 75.02 million))	1,498.15	1,284.73
Stock- in - trade (includes in transit Rs. 2.04 million (previous year: Rs.1.97 million))	29.61	44.61
Stores and spares (includes in transit Rs. 38.81 million (previous year: Rs 0.88 million))	329.70	293.75
Loose tools	45.49	37.66
	3,910.52	**3,388.84**

Notes:

i) The inventories are hypothecated as security against working capital loans from banks, refer note no 21.

ii) The value of inventories above is net off of write down of Rs. 151.00 million (previous year Rs. 114.96 million).

Notes to the consolidated financial statements for the year ended 31 March 2024

13. Trade receivables

Rs. million

	As at 31 March 2024	As at 31 March 2023
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured*	4,760.55	3,965.90
Receivable which have significant increase in credit risk	36.54	31.33
Receivable credit impaired	0.88	0.88
	4,797.97	3,998.11
Less: Allowances for receivables which have significant increase in credit risk/credit impaired	(37.42)	(32.21)
	4,760.55	**3,965.90**

Notes:

i) The trade receivables are pledged as security against working capital loans from banks, refer note no 21.

ii) *No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member

iii) There are no trade receivables due from any related party.

Trade receivable ageing as on 31 March 2024 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	-	3,961.22	763.59	25.32	10.42	-	-	**4,760.55**
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	4.70	2.00	11.24	3.91	14.69	**36.54**
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-	
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	0.88	**0.88**
Total	-	**3,961.22**	**768.29**	**27.32**	**21.66**	**3.91**	**15.57**	**4,797.97**

Notes to the consolidated financial statements for the year ended 31 March 2024

Trade receivable ageing as on 31 March 2023 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	-	3,511.07	433.06	21.77	-	-	-	**3,965.90**
(ii) Undisputed trade Receivables – which have significant increase in credit risk	-	-	4.41	4.31	6.02	3.38	13.21	**31.33**
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	0.88	**0.88**
	-	**3,511.07**	**437.47**	**26.08**	**6.02**	**3.38**	**14.09**	**3,998.11**

14. Cash and cash equivalents and other bank balances

Rs. million

	As at 31 March 2024	As at 31 March 2023
i) Cash and cash equivalents		
Cash on hand	0.53	0.43
Balances with banks		
- Deposits with banks, with original maturity less than 3 months	280.00	-
- current accounts	254.37	304.72
	534.90	**305.15**
ii) Other bank balances		
- Unclaimed dividend account	1.24	0.53
- Unspent CSR account	2.62	5.50
- Deposits with banks , with original maturity more than 3 month but less than 12 months	7,122.03	5,842.34
- Deposits with banks held as margin money*	958.93	315.40
	8,084.82	**6,163.77**
	8,619.72	**6,468.92**

* Margin money is deposited with bank majorly towards export packing credit and overdraft facility availed.

Notes to the consolidated financial statements for the year ended 31 March 2024

15. Equity share capital

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Rs. million	No. of shares	Rs. million
52,500,000 (previous year 52,500,000) equity shares of Rs. 10 each		525.00		525.00
3,000,000 (previous year 3,000,000) preference shares of Rs. 100 each		300.00		300.00
		825.00		**825.00**

a. Issued, subscribed and fully paid up shares

44,049,824 (previous year 22,024,912) equityshares of Rs. 10 each (refer note 53)		440.50		220.25
		440.50		**220.25**

b. Terms/rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to dividend and one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the holding Company after distribution of all preferential amount, in proportion to their shareholding.

c. Reconciliation of numbers of equity shares outstanding at the beginning and at the end of reporting year

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Rs. million	No. of shares	Rs. million
Opening balance	22,024,912	220.25	22,024,912	220.25
Issued during the year (refer note 53)	22,024,912	220.25	-	-
Closing balance	**44,049,824**	**440.50**	**22,024,912**	**220.25**

d. Details of equity shareholders holding more than 5% shares in the Holding Company

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% shareholding	No. of shares	% shareholding
Equity shares of Rs. 10 each fully paid				
Riken Corporation	9,384,114	21.30	4,692,057	21.30
KS Kolbenschmidt GmbH	-	-	4,474,974	20.32
Luv D. Shriram and Meenakshi Dass*	6,667,862	15.14	3,333,931	15.14
Meenakshi Dass and Luv D. Shriram *	6,667,862	15.14	3,333,931	15.14
National Insurance Company Limited	2,483,005	5.64	1,384,055	6.28

* Shares held on behalf of Deepak Shriram Family Benefit Trust.

Notes to the consolidated financial statements for the year ended 31 March 2024

e) **Details of Shares held by Promoters in Holding Company at the end of the year**

Name of promotor	As at 31 March 2024			As at 31 March 2023		
	No. of shares#	% shareholding	% Change during the year	No. of shares	% shareholding	% Change during the year
Meenakshi Dass & Luv D. Shriram*	6,667,862	15.14	-	3,333,931	15.14	-
Luv D. Shriram & Meenakshi Dass*	6,667,862	15.14	-	3,333,931	15.14	-
Meenakshi Dass	1,669,440	3.79	-	834,720	3.79	-
Nandishi Shriram	1,730	0.00***	-	865	0.00***	-
Luv D. Shriram and Kush D. Shriram**	4	0.00***	-	2	0.00***	-
Luv D. Shriram	10,900	0.02	-	5,450	0.02	-
Sarva Commercial Pvt. Ltd.	2,133,160	4.84	-	1,066,580	4.84	-
Sera Com Pvt. Ltd	1,900,794	4.32	-	950,397	4.32	-
Manisha Commercial Pvt. Ltd.	1,335,958	3.03	-	667,979	3.03	-
Shabnam Commercial Pvt. Ltd.	206,394	0.47	-	103,197	0.47	-
Kush D. Shriram	2	0.00***	-	1	0.00***	-

#Shareholding % does not change during the year except the increase in no. of shares held due to the issuance of bonus shares by the Holding Company.

* Shares held on behalf of Deepak Shriram Family Benefit Trust.

** Shares held on behalf of NAK Benefit Trust.

*** Rounded off to zero.

f) i) Aggregate number and class of shares allotted as fully paid up by way of bonus shares during the period of five years immediately preceding 31 March 2024:

	31 March 2024 No. of shares	31 March 2023 No. of shares	31 March 2022 No. of shares	31 March 2021 No. of shares	31 March 2020 No. of shares
Equity shares alloted fully paid up under bonus issue	22,024,912*	-	-	-	-

ii) Aggregate number of shares bought back during the period of five years immediately preceding 31 March 2024:

	31 March 2024 No. of shares	31 March 2023 No. of shares	31 March 2022 No. of shares	31 March 2021 No. of shares	31 March 2020 No. of shares
Equity shares fully paid up buy back	-	-	350,000**	-	-

iii) There are no shares allotted as fully paid up pursuant to contracts without payment being received in cash during the period of five years immediately preceding 31 March 2024.

*The Board pursuant to shareholder's approval in the annual general meeting held on 06 July 2023, allotted 2,20,24,912 equity shares as bonus share in the ratio of 1:1.

**During the year ended 31 March 2022, the Holding Company has concluded the buyback of 3,50,000 equity shares (at a price of Rs 1020/- per equity share) as approved by the Board of Directors on 30 July 2021. This has resulted in a total cash outflow of Rs 449.7 million (including tax on buyback of Rs 82.4 million & transaction

Notes to the consolidated financial statements for the year ended 31 March 2024

cost of Rs 10.3 million). In line with the requirement of the Companies Act 2013, an amount of Rs 446.2 million has been utilized from retained earnings. Further, capital redemption reserve of Rs 3.5 million (representing the nominal value of the shares bought back) has been created as an apportionment from General reserve. Consequent to such buyback, the paid-up equity share capital has reduced by Rs 3.5 million.

g) The Board of directors of the Holding Company, in its meeting of 13 May 2024, has proposed final dividend of Rs 5/-per equity share (face value of Rs. 10 per equity share) to equity shareholders for the year ended 31 March 2024. This dividend together with the interim dividend of Rs.5/- per equity share, aggregating total dividend to Rs. 10/- per equity share for the financial year 2023-24. The final dividend is subject to the approval of shareholders in Annual General Meeting of the Holding Company and same has not been recognised as liability in financial statements for the year ended 31 March 2024.

h) The Board of directors of the Holding Company, in its meeting of 08 May 2023, has proposed final special "Golden Jubilee" dividend of Rs.5/-per equity share (face value of Rs. 10 per equity share) to equity shareholders for the year ended 31 March 2023. This dividend together with the interim dividend of Rs.10/- per equity share, aggregating total dividend to Rs. 15/- per equity share for the financial year 2022-23 which was subsequently approved by the shareholders in the Annual General Meeting held on 04 July 2023 and paid thereof.

16. Other equity

Particulars	Reserves and surplus						Items of other comprehensive income	Equity component of compound financial instrument	Total	Non-Controlling interest
	Preference share redemption reserve	Capital redemption reserve	Revaluation reserve	Retained earnings	General reserve	Sub Total	Effective portion of cash flow hedge reserve			
Balance as at 31 March 2022	**388.58**	**3.50**	**97.29**	**1,300.00**	**10,550.72**	**12,340.09**	**(10.05)**	**-**	**12,330.04**	**-**
Profit for the year	-	-	-	2,934.58	-	2,934.58	-	-	2,934.58	4.20
Other comprehensive income for the year	-	-	-	87.68	-	87.68	10.38	-	98.06	-
Reversal on disposal of revalued assets	-	-	(0.02)	-	-	(0.02)	-	-	(0.02)	-
Dividends	-	-	-	(308.35)	-	(308.35)	-	-	(308.35)	-
Non-controlling interest on business combination during the year (refer note 48 b)	-	-	-	-	-	-	-	-	-	445.61
Transfer to general reserve	-	-	-	(2,713.91)	2,713.91	-	-	-	-	
Balance as at 31 March 2023	**388.58**	**3.50**	**97.27**	**1,300.00**	**13,264.63**	**15,053.98**	**0.33**	**-**	**15,054.31**	**449.81**
Profit for the year	-	-	-	4,425.55	-	4,425.55	-	-	4,425.55	(38.91)
Used for issuance of bonus shares	(220.25)	-	-	-		(220.25)	-	-	(220.25)	
Other comprehensive income for the year	-	-	-	67.03	-	67.03	(1.62)	-	65.41	(0.27)
Reversal on disposal of revalued assets	-	-	(0.02)	-	-	(0.02)	-	-	(0.02)	-
Dividends (refer note 15 h)	-	-	-	(330.37)	-	(330.37)	-	-	(330.37)	-
Non-controlling interest on business combination during the year (refer note 48 a)	-	-	-	-	-	-	-	-	-	413.80
Change in ownership interest (refer note 51)	-	-	-	(124.37)	-	(124.37)	-	-	(124.37)	124.37
Equity component of compound financial instrument	-	-	-	-	-	-	-	28.72	28.72	-
Put liability recognised (refer note 23)	-	-	-	(82.73)	-	(82.73)	-	-	(82.73)	-
Transfer to general reserve	-	-	-	(3,955.11)	3,955.11	-	-	-	-	-
Balance as at 31 March 2024	**168.33**	**3.50**	**97.25**	**1,300.00**	**17,219.74**	**18,788.81**	**(1.29)**	**28.72**	**18,816.24**	**948.79**

Notes to the consolidated financial statements for the year ended 31 March 2024

Nature and purpose of reserves:

Preference share redemption reserve

The Holding Company issued 10,00,000 nos. of preference shares in financial year 1997-98 of Rs. 100/- each and the same were redeemed during the financial years viz- 2002-03 and 2003-04. Further, the Holding Company issued 28,85,760 nos. of preference shares of Rs. 100/- each in financial year 2019-20 and same were redeemed in the financial year 2019-20. Accordingly, the preference share redemption reserve of Rs. 388.58 million was created. In the financial year 2023-24, Rs. 220.25 million has been used for issuance of bonus share and balance reserve amount is available for the purposes as specified under the provisions of the Companies Act, 2013.

Capital redemption reserve

The Holding Company bought back 3,50,000 equity shares in the financial year 2021-22 and created capital redemption reserve as per the applicable provision of the Companies Act, 2013. The reserve amount is available for the purposes as specified under the provisions of the Companies Act, 2013.

Revaluation reserve

In the Financial year 1995-96, the Holding Company had revalued its existing property, plant and equipment and created a revaluation reserve for the same.

Retained earnings

Retained earnings represents the net profit/(loss) retained by the Group for its core business activities. Also, includes re-measurement gains / (loss) on defined benefit plans.

General reserves

General reserves represents amount appropriated out of retained earnings.

Equity component of compound financial instrument

The Group has accounted equity component basis on difference between fair value of the instrument as a whole and fair value of the liability component as per Ind AS 32. This equity is the residuary interest in assets after deducting liabilities and initial carrying amount of compound instrument. No gain or loss recognised on initial recognition of the component.

Cash flow hedge reserve

Cumulative changes in the fair value of financial instruments designated as effective hedge are recognised in cash flow hedge reserve through OCI (net of taxes). Amounts recognised in the cash flow hedge reserve are reclassified to the statement of profit and loss when the underlying ctransaction occurs.

17. Borrowings

(At amortised cost)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Secured		
Term loans from banks (refer note i and iii below)	2,432.83	1,374.45
Unsecured		
Loans (refer note ii below)	41.00	87.27
Deposits	164.51	360.77
Deposits from directors (refer note 35)	-	15.81
Deposits from related parties (refer note 35)	10.78	28.28
	2,649.12	1,866.58
Less: Current maturities of non-current borrowings (refer note 21)	(403.34)	(180.12)
Less: Current maturities of deposits (refer note 21)	(174.80)	(226.28)
	2,070.98	**1,460.18**

Notes to the consolidated financial statements for the year ended 31 March 2024

i) Term loans from banks of Rs. 1,332.85 million (previous year: Rs. 1,374.45 million) are secured by way of first pari passu charge on all the movable and immovable fixed assets of the Holding Company, present and future.

ii) External commercial borrowings of SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited), step down subsidiary, amounting of Rs. 41.00 million (previous year: Rs. 87.27 million) are unsecured.

iii) Term loans from banks of Rs. 1,100.00 million (previous year: nil) are secured by way of exclusive charge on all current assets and movable and immovable fixed assets of the SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited), present and future. This term loan is further secured by corporate guarantee given by the Holding Company.

Amount outstanding		Repayment period from origination (years)	Installments outstanding		Effective Rate of Interest per annum %	
As at 31 March 2024 (Rs. million)	As at 31 March 2023 (Rs. million)		No.	As at 31 March 2024 Periodicity	As at 31 March 2024	As at 31 March 2023
340.00	400.00	6*	17	Quarterly	8.34	7.30
538.06	623.68	6*	17	Quarterly	8.25	7.18
454.79	350.77	6	19	Quarterly	7.99	7.68
41.00	87.27	8	2	On Maturity	-	-
1,100.00	-	5.41*	18	Quarterly	7.75	-
2,473.83	**1,461.72**					

* The repayment period includes moratorium of 1 year from the date of origination

iv) The long term deposits have been raised by Holding Company under Section 58A of the Companies Act, 1956 and Section 73 to 76 of the Companies Act, 2013 for maturity period of 2 and 3 years.

Amount outstanding		Repayment period from origination (years)	Rate of interest per annum %	
As at 31 March 2024 (Rs. million)	As at 31 March 2023 (Rs. million)		As at 31 March 2024	As at 31 March 2023 Periodicity
-	5.42	2	6.50-9.50	6.00-9.50
175.29	399.44	3		
175.29	**404.86**			

v) Disclosure under Para 44A as set out in IND AS on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

Changes in liabilities arising from financing activities

Rs. million

Particular	Outstanding balance as on 01 April 2023	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2024
Long term borrowing (including current maturities of long term debt)	1,461.72	(276.76)	1,288.87	2,473.83
Deposits (including unclaimed matured deposits)	408.79	(232.08)	-	176.71
Lease liabilities (refer note 37)	342.88	(97.70)	71.55	316.73

Notes to the consolidated financial statements for the year ended 31 March 2024

Rs. million

Particular	Outstanding balance as on 01 April 2022	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2023
Long term borrowing (including current maturities of long term debt)	132.23	1,308.68	20.81	1,461.72
Deposits (including unclaimed matured deposits)	603.58	(194.79)	-	408.79
Lease liabilities (refer note 37)	249.88	(104.95)	197.95	342.88

18. Provisions

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Provision for compensated absences (refer note 34)	306.51	284.92
Provision for gratuity (refer note 34)	13.64	-
Provision for other employee benefits	0.38	2.30
	320.53	**287.22**
Current:		
Provision for compensated absences (refer note 34)	150.86	135.80
Provision for gratuity (refer note 34)	0.40	-
Provision for other employee benefits	1.10	1.81
	152.36	**137.61**

19. Other liabilities

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:		
Security deposits*	19.75	4.40
Others ***	-	0.81
	19.75	**5.21**
Current:		
Security deposits*	111.59	128.91
Revenue received in advance (refer note 24)	121.10	139.62
Statutory dues	340.14	262.53
Others**	90.81	51.02
	663.64	**582.08**

*The security deposits have been received by the Holding Company from customers/vendors in the normal course of business.

**Others includes provision for superannuation contribution and unspent CSR amount.

***Others includes Rs. nil (previous year: Rs. 0.81 million) of deficit in gratuity contribution of subsidiary.

Notes to the consolidated financial statements for the year ended 31 March 2024

20. a) Deferred tax liability (net)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Deferred tax liability		
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	317.19	316.85
Expenses deductible on payment basis	(133.81)	(131.08)
Provision for doubtful debts/advances	(14.26)	(13.78)
Liability recognised on account of business combination (refer note 48)	133.35	81.00
Cash flow hedge	(5.18)	(4.73)
Defined benefit plans	76.18	53.61
	373.47	**301.87**
Deferred tax assets		
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	(0.22)	(0.21)
Unabsorbed depreciation	2.41	0.05
Carryforward business loss	20.71	17.85
Pre-incorporation expenses	2.82	2.82
Provision for doubtful debts/advances	-	1.80
Defined benefit plans	0.03	0.03
	25.75	**22.34**

b) Reconciliation of tax expenses and accounting profit

	As at 31 March 2024		As at 31 March 2023	
	Rs. million	%	Rs. million	%
Profit before tax	5,891.32		3,930.18	
Income tax expenses calculated at current tax rate	1,482.73	25.17%	976.72	24.85%
Add : Effect of expenses that are not deductible in determining taxable profit	21.95	0.37%	14.68	0.37%
Income tax expenses recognised in statement of profit & loss	**1504.68**	**25.54%**	**991.40**	**25.23%**

(c) Changes in deferred tax liabilities (net)

	As at 31 March 2023	Recognised in			As at 31 March 2024
		OCI	Goodwill	Profit / loss	
Items leading to creation of deferred tax liability					
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	316.85	-	-	0.34	317.19
Expenses deductible on payment basis	(131.08)	-	-	(2.73)	(133.81)

Notes to the consolidated financial statements for the year ended 31 March 2024

	As at 31 March 2023	Recognised in			As at 31 March 2024
		OCI	Goodwill	Profit / loss	
Provision for doubtful debts/advances	(13.78)	-	-	(0.48)	(14.26)
Cash flow hedge	(4.73)	(0.45)	-	-	(5.18)
Liability recognised on account of business combination (refer note 48)	81.00	-	69.42	(17.07)	133.35
Defined benefit plans	53.61	22.57	-	-	76.18
Total deferred tax liability	**301.87**	**22.12**	**69.42**	**(19.93)**	**373.47**

	As at 31 March 2022	Recognised in			As at 31 March 2023
		OCI	Goodwill	Profit / Loss	
Items leading to creation of deferred tax liability					
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	330.79	-	-	(13.94)	316.85
Expenses deductible on payment basis	(114.42)	-	-	(16.66)	(131.08)
Provision for doubtful debts/advances	(12.14)	-	-	(1.64)	(13.78)
Unrealised income on mutual fund	0.09	(0.09)	-	-	-
Cash flow hedge	(8.22)	3.49	-	-	(4.73)
Liability recognised on account of business combination	-	-	81.00	-	81.00
Defined benefit plans	24.06	29.55	-	-	53.61
Total deferred tax liability	**220.16**	**33.01**	**81.00**	**(32.18)**	**301.87**

(d) Changes in deferred tax asset (net)

	As at 31 March 2023	Recognised in			As at 31 March 2024
		OCI	Goodwill	Profit / loss	
Items leading to creation of deferred tax assets					
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	(0.21)	-	-	(0.01)	(0.22)
Unabsorbed depreciation	0.05	-	-	2.36	2.41
Carryforward business loss	17.85	-	-	2.86	20.71
Pre-incorporation expenses	2.82	-	-	-	2.82
Provision for doubtful debts/advances	1.80	-	-	(1.80)	-
Defined benefit plans	0.03	-	-	-	0.03
Total deferred tax assets	**22.34**	**-**	**-**	**3.41**	**25.75**

Notes to the consolidated financial statements for the year ended 31 March 2024

	As at 31 March 2022	Recognised in			As at 31 March 2023
		OCI	Goodwill	Profit / Loss	
Items leading to creation of deferred tax assets					
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	-	-	-	(0.21)	(0.21)
Unabsorbed depreciation	-	-	-	0.05	0.05
Carryforward business loss	-	-	-	17.85	17.85
Pre-incorporation expenses	-	-	-	2.82	2.82
Provision for doubtful debts/advances	-	-	-	1.80	1.80
Defined benefit plans	-	0.03	-	-	0.03
Total deferred tax assets	**-**	**0.03**	**-**	**22.31**	**22.34**

21. Short term borrowings

(At amortised cost)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Secured		
Working capital loans from banks repayable on demand*	1,900.02	1,122.08
Current maturities of non-current borrowings (refer note 17)	403.34	180.12
Unsecured		
Current maturities of deposits (refer note 17)	174.80	226.28
	2,478.15	**1,528.48**

* Working capital loans of Rs. 1,050.02 million (previous year: 1,017.08 million) are secured by way of first pari passu charge on inventories and trade receivables of the Holding Company, present and future and second pari passu charge on all the movable and immovable property of the Holding Company, present and future . Further, working capital loans of Rs. 850.00 million (previous year: 105.00 million) is secured by way of lien on the bank deposit of Rs. 850.00 million (previous year: Rs. 250.50 million).

Disclosure under Para 44A as set out in IND AS on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

Changes in liabilities arising from financing activities

Rs. million

Particular	Outstanding balance as on 01 April 2023	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2024
Short-term borrowings	1,122.08	777.94	-	1,900.02

Rs. million

Particular	Outstanding balance as on 01 April 2022	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2023
Short-term borrowings	724.32	397.78	(0.02)	1,122.08

Notes to the consolidated financial statements for the year ended 31 March 2024

22. Trade payables

(At amortised cost)

Rs. million

	As at 31 March 2024	As at 31 March 2023
- Total outstanding dues of micro enterprises and small enterprises	123.48	129.54
- Total outstanding dues of creditors other than micro enterprises and small enterprises	3,436.32	2,785.70
	3,559.80	**2,915.24**

Trade payable includes Rs. 0.10 million (previous year: Rs. 0.16 million) due to related parties (refer note 35)

Trade payables ageing schedule as on 31 March 2024 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	104.77	18.71	0.00	-	-	123.48
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	535.62	1,681.87	977.53	73.72	84.63	82.95	3,436.32
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	535.62	**1,786.64**	**996.24**	**73.72**	**84.63**	**82.95**	**3,559.80**

Trade payables ageing schedule as on 31 March 2023 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	127.36	2.18	-	-	-	129.54
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	440.39	1,450.70	655.75	144.16	14.04	80.66	2,785.70
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	440.39	**1,578.06**	**657.93**	**144.16**	**14.04**	**80.66**	**2,915.24**

23. Other financial liabilities

(At amortised cost)

Rs. million

	As at 31 March 2024	As at 31 March 2023
Non-current:	Rs. million	Rs. million
Capital creditors	-	90.83
Put option liabilities - Derivative instrument* (refer note 48 a)	82.73	-
Employee related payables	2.27	2.95
	85.00	**93.78**

Notes to the consolidated financial statements for the year ended 31 March 2024

Rs. million

	As at 31 March 2024	As at 31 March 2023
Current:		
Interest accrued but not due on borrowings	48.00	60.62
Unclaimed dividends*	1.23	0.53
Unclaimed matured deposits and interest accrued thereon*	1.83	5.11
Capital creditors	308.60	63.72
Derivative instrument (refer note 42)	0.55	-
Payable on account of business acquisition (refer note 41)	-	55.00
Employee related payables	692.80	540.35
	1,053.01	**725.33**

*Not due for transfer to investor education and protection fund

24. Revenue from operations

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Sale of products	30,427.90	25,642.18
Other operating revenues		
- sale of scrap	350.31	350.68
- export benefits*	100.63	95.57
- others	14.41	4.85
	30,893.25	**26,093.28**

*Export benefits covers the following:

Rs. million

	As at 31 March 2024	As at 31 March 2023
Remission of duties and taxes on export products (RoDTEP)	22.13	22.17
Duty draw backs	78.50	73.40
	100.63	**95.57**
Timing of revenue recognition:		
Goods transferred at a point in time	30,893.25	26,093.28

Contract balances

Rs. million

	As at 31 March 2024	As at 31 March 2023
Revenue received in advance (refer note 19)	121.10	139.62

Notes to the consolidated financial statements for the year ended 31 March 2024

Contract liabilities - Revenue received in advance

Rs. million

	As at 31 March 2024	As at 31 March 2023
Opening balance of contract liabilities	139.62	62.27
Less: Amount of revenue recognised against opening contract liabilities	920.01	812.16
Add: Addition in balance of contract liabilities for current year (net of refunds)	901.49	889.51
Closing balance of contract liabilities	**121.10**	**139.62**

The contract liabilities are settled during the normal course of business.

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Rs. million

	As at 31 March 2024	As at 31 March 2023
Revenue from contract with customer as per the contract price	31,360.27	26,138.47
Adjustments made to contract price on account of :-		
Less: Discounts / price adjustments	932.37	496.29
Revenue from contract with customer	**30,427.90**	**25,642.18**

Performance obligation

Information about the Company's performance obligations are summarised below:

Sale of products

Revenue from the sale of products is recognized upon transfer of control to customers.

25. Other income

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Interest income*		
- Bank deposits	647.31	319.12
- Others	13.56	7.73
Net gain on sale/fair valuation of current investment**	49.95	32.25
Gain on sale/disposal of property, plant and equipment / right of use of assets (land)	-	28.35
Foreign exchange gain (net)	112.91	30.69
Other non-operating income	28.98	48.49
	852.71	**466.63**

*Represents income on underlying assets carried at amortised cost

**Includes Rs. 4.20 million (previous year Rs. 1.99 million) on account of fair valuation of investments classified at FVTPL

Notes to the consolidated financial statements for the year ended 31 March 2024

26. Cost of material consumed

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Cost of raw material and components consumed	11,104.37	9,370.58
Cost of packing material consumed	558.95	556.34
	11,663.32	**9,926.92**

27. (Increase) / decrease in inventories of finished goods , work-in-progress and stock-in-trade

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Inventories at the end of the year		
Work-in-progress	991.17	1,000.67
Finished goods	1,498.15	1,284.73
Stock-in-trade	29.61	44.61
	2,518.93	**2,330.01**
Inventories at the beginning of the year		
Work-in-progress	1,000.67	1,079.57
Finished goods	1,284.73	1,278.79
Stock-in-trade	44.61	43.31
	2,330.01	**2,401.67**
Add: Inventories aquired under business combination (refer note 48)		
Work-in-progress	56.70	6.54
Finished goods	70.41	3.67
	127.11	**10.21**
(Increase) / decrease in inventories of finished goods, work-in-progress and stock-in-trade	**(61.81)**	**81.87**

28. Employee benefits expense

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and wages	4,022.74	3,574.35
Contribution to provident and other funds (refer note 34)	311.01	302.08
Staff welfare expenses	261.02	218.70
	4,594.77	**4,095.13**

29. Finance costs

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense on borrowings	266.48	161.20
Interest expense on lease liabilities (refer note 37)	29.36	22.69
Interest expense on income tax	2.64	6.85
Other borrowing costs	6.09	2.16
	304.57	**192.90**

Notes to the consolidated financial statements for the year ended 31 March 2024

30. Depreciation and amortisation expense

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
- Depreciation on property , plant and equipment (refer note 3)	851.69	829.63
- Depreciation on right of use assets (refer note 6)	78.99	70.85
- Amortisation of intangible assets (refer note 5)	146.39	46.64
	1,077.07	**947.12**

31. Other expenses

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Stores and spares consumed	2,315.42	2,059.23
Power and fuel	1,580.82	1,380.69
Job work charges	609.53	537.18
Freight outward expenses	408.95	362.29
Royalty	494.69	463.92
Rent (refer note 37)	23.57	19.62
Rates and taxes	15.57	23.00
Insurance	45.14	39.11
Sub-contracting expenses	377.82	304.73
Repair and maintenance		
-Plant and machinery	213.80	185.42
-Buildings	90.90	92.44
-Others	30.49	27.05
Directors' fees	9.90	12.40
Provision for doubtful debts and advances (net)	2.53	6.56
Loss on sale / retirement of fixed assets (net)	3.28	-
Bad debts and advances written off	5.14	0.53
Corporate social responsibilities expenses	51.96	30.90
Travelling expenses	106.06	65.21
Legal and professional expenses	116.31	77.51
Miscellaneous expenses	898.70	724.58
	7,400.58	**6,412.37**

32. Earnings per share (EPS)

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Profit attributable to equity shareholders (Rs. million)	4,425.55	2,934.58
Weighted average number of equity shares (nos. million)	44.05	22.02
Earning per share		
- *Basic (Rs.)	100.47	66.62
- *Diluted (Rs.)	100.47	66.62

*During the current year, the Holding company has issued 22,024,912 equity shares of Re.10 each as fully paid-up bonus shares in the ratio of 1 (one) equity share for every 1 (one) equity share outstanding on the record date i.e. 24 July 2023. Accordingly, as required by Ind AS-33 Earnings per share, the EPS of current and previous period have been restated.

Notes to the consolidated financial statements for the year ended 31 March 2024

33. Research and development expenditure

The details of research and development expenditure incurred by the Group and included in the respective account heads are as under:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Capital expenditure	21.59	22.09
Revenue expenditure	226.85	211.05
	248.44	**233.14**

The details of revenue expenditure incurred on research and development is as under:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Stores and spares consumed	56.72	59.55
Salaries and wages	127.54	117.43
Contribution to provident and other funds	11.11	7.43
Staff welfare expenses	1.29	1.39
Power and fuel	3.56	4.66
Repair and maintenance		
- Plant and machinery	15.18	14.89
- Buildings	0.52	0.18
Loss on sale/retirement of fixed assets (net)	0.03	0.17
Travelling expenses	2.55	1.27
Miscellaneous expenses	8.35	4.08
	226.85	**211.05**

34. Employee benefits

The Group has classified the various employee benefits as under :

i) Defined contribution plans

The Group has recognised the following amount in the statement of profit and loss:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Employers' contribution to provident fund	9.41	1.82
Employers' contribution to state insurance fund	31.16	28.65
	40.57	**30.47**

ii) Defined benefit plans - Gratuity

In accordance with Ind AS 19, actuarial valuation of defined benefit plans was done for Gratuity and details of the same are given below:

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Amount recognized in statement of Profit and Loss A/c		
Current service cost	78.88	79.13
Past service cost	-	0.61

Notes to the consolidated financial statements for the year ended 31 March 2024

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Net interest cost on defined benefit/ liability	(3.57)	1.10
Total expense recognised in the Statement of Profit and Loss	**75.31**	**80.84**
Actual contribution and benefit payments for the year		
Actual benefit payments	59.10	57.16
Actual contributions	201.69	30.41
	260.79	**87.57**
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	1,130.85	1,111.86
Fair value of plan assets	1,388.86	1,162.22
Funded status [surplus / (deficit)]	258.01	50.36
Net asset / (liability) recognised in the Balance Sheet	258.01	50.36
Assets recognised in the Balance Sheet		
Other current asset (refer note 11)	271.83	51.17
Other non-current asset (refer note 11)	0.22	-
Liability recognised in the Balance Sheet		
Provison for gratuity (refer note 18)	14.04	-
Other non-current liabilities (refer note 19)	-	0.81
Net asset / (liability) recognised in the Balance Sheet	**258.01**	**50.36**
Change in defined benefit obligations (DBO) during the year		
Present value of defined benefit obligations at beginning of the year	1,111.86	1,127.57
Acquisition pursuant to business combination (refer note 48 a)	8.48	-
Current service cost	78.88	79.13
Interest cost	82.71	75.49
Remeasurement of defined benefit obligations (Actuarial (gains)/losses)		
- Changes in demographic assumptions	0.30	-
- Changes in financial assumptions	(64.69)	(66.93)
- Experience variance	(27.59)	(46.85)
- Past service cost	-	0.61
Benefits paid	(59.10)	(57.16)
Transfer in / (out)	-	-
Present value of DBO at the end of the year	**1,130.85**	**1,111.86**
Change in fair value of plan assets during the year		
Plan assets at beginning of the year	1,162.22	1,111.19

Notes to the consolidated financial statements for the year ended 31 March 2024

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Expected return on plan assets	86.18	74.40
Contributions	201.69	30.41
Return on plan assets excluding amount recognised in net interest expenses	(2.41)	3.38
Benefits paid	(58.82)	(57.16)
Plan assets at the end of the year	**1,388.86**	**1,162.22**
Actual return on plan assets	83.77	77.78
Amount recognised in other comprehensive income		
Actuarial (gains)/ losses		
- Changes in demographic assumptions	0.29	-
- Changes in financial assumptions	(64.69)	(66.93)
- Experience variance	(27.59)	(46.85)
(Return)/loss on plan assets, excluding amount recognized in net interest expense	2.41	(3.39)
	(89.58)	**(117.17)**

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Actuarial assumptions for Gratuity		
Discount rate	7.15%-7.25%	7.35%-7.40%
Expected return on plan assets	7.21%	7.00%
Salary escalation	9.00%	10.00%
Attrition	5 %-10 %, p.a.	5 %-11%
Mortality table used	IAL 2012-14	IAL 2012-14

Estimate of the future salary increase is based on factors such as inflation, seniority, promotions, demand and supply in employment market.

Rs. million

Particulars		Year ended 31 March 2024		Year ended 31 March 2023	
		Impact on Liability		Impact on Liability	
Sensitivity Analysis for significant actuarial assumptions		**Increase**	**Decrease**	**Increase**	**Decrease**
Discount rate	+100 basis points	-	83.41	-	85.55
	'-100 basis points	92.07	-	97.63	-
Salary Growth Rate	+100 basis points	91.57	-	94.26	-
	'-100 basis points	-	80.76	-	84.32
Attrition Rate	+100 basis points	-	23.20	-	31.47
	'-100 basis points	29.86	-	43.18	-
Mortality Rate	+100 basis points	-	2.20	-	0.45
	'-100 basis points	2.21	-	0.45	-

The sensitivity analysis has been determined based on possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis present above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be co-related.

Notes to the consolidated financial statements for the year ended 31 March 2024

Risk factors in actuarial assumptions

Interest rate risk: The plan exposes the group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Liquidity risk: This is the risk that the group is not able to meet the short term gratuity payouts. This may arise due to non availability of enough cash/ cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

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

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

Asset liability mismatching or market risk: The duration of the liability is longer compared to duration of assets, exposing the Group to market risk for volatilities/ fall in interest rate.

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

The following payments are expected future cash flows to the defined benefit plan (undiscounted in future years):

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Year 1	117.74	102.59
Year 2 - 5 years	425.72	396.61
Year 6 - 10 years	576.59	580.54
More than 10 years	1,043.33	1,248.42

Regulatory framework/ governance / benefits under the plan:

The gratuity benefit is a post employment benefit. It is calculated at the terminal salary (Basic+VDA) at the time of separation of the employee according to the provisions of Payment of Gratuity Act, 1972. However, there is no restriction on the maximum amount of gratuity payable. The plan assets are managed by independent Board of Trustees, appointed by the group The trust is a separate legal entity and is recognized by the Commissioner of Income Tax, under the provisions of Schedule IV the the Income Tax Act, 1961.

The Board of trustees manages the entire plan assets through Life Insurance Corporation of India, SBI Life Insurance, Bajaj Allianz Life Insurance Company and HDFC Life Insurance Co. Under this policy, the eligible employees are entitled to receive gratuity payments upon their separation in lumpsum after deduction of necessary taxes. The fund managers do not disclose the composition of their portfolio investment, accordingly break-down of plan assets by investment type has not been disclosed.

Asset liability matching strategies

The Group has purchased insurance policy, which is a cash accumulation plan. Interest on the fund balances during the year is accumulated at the interest rate declared by insurance company at the end of the financial year. Gratuity claims are settled by the insurance company out of the fund, thus mitigating any liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of the liabilities. Thus, the group is exposed to movement in interest rate.

Notes to the consolidated financial statements for the year ended 31 March 2024

Effect of plan on entity's future cash flows

The Group has purchased insurance policies to provide for payment of gratuity to the employees. The contribution to the funds are made on a quarterly basis based on estimated shortfall in plan assets from liabilities. Expected contribution during the next annual reporting period is 0.74 milion (previous year Rs 25.33 million) Maturity profile of the defined benefit obligation based on weighted average duration is 10 Years.

The plan assets are managed by independent Board of Trustees through Life Insurance Corporation of India, SBI Life Insurance, Bajaj Allianz Life Insurance Company and HDFC Standard Life Insurance Co. Under this policy, the eligible employees are entitled to receive gratuity payments upon their separation in lumpsum after deduction of necessary taxes. The fund managers do not disclose the composition of their portfolio investment, accordingly break-down of plan assets by investment type has not been disclosed. Estimate of the future salary increase is based on factors such as inflation, seniority, promotions, demand and supply in employment market.

iii) Compensated absences

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Present value of DBO	457.37	420.72
Funded status [surplus / (deficit)]	(457.37)	(420.72)
Provision for compensated absences		
Non-current	306.51	284.92
Current	150.86	135.80

iv) Defined benefit plans

The Group has recognised the following amount in the statement of profit and loss:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Employers' contribution to provident fund	177.09	174.63
Employers' contribution to superannuation fund	26.96	29.38

v) Provident fund

In respect of certain employees, provident fund contributions are made to trust administered by the Holding Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Fund and Miscalleneous Provisions Act,1952 and shortfall, if any, shall be made good by the Holding Company. The rate is determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Holding Company has been higher in earlier years. As at 31 March 2024, the Holding Company has surplus in the trust administered by it.

35. Related party disclosure

As per Indian Accounting Standard – 24 the Group's related parties and transactions with them are disclosed below :

A. List of related parties:

Key management personnel	Shri Pradeep Dinodia, Chairman
	Shri Hari Shanker Bhartia, Director
	Smt Meenakshi Dass, Director
	Shri Inderdeep Singh, Director

Notes to the consolidated financial statements for the year ended 31 March 2024

	Shri Krishnakumar Srinivasan, Managing Director & CEO
	Shri Luv Deepak Shriram, Whole Time Director
	Smt. Ferida Chopra, Director
	Shri Alok Ranjan, Director (ceased to be director w.e.f. close of business hours of 29 March 2024)
	Shri Klaus Semke (Director)
	Shri Alexandru Vladoi , Alternate Director to Shri Klaus Semke
	Shri Masaaki Yamaguchi, Director (ceased to be director w.e.f. close of business hours of 31 March 2024)
	Shri Yasunori Maekawa, (Alternate Director of Masaaki Yamaguchi) (ceased to be alternate director w.e.f. close of business hours of 31 March 2024)
	Shri. Shinichi Unno, Independent Director
	Shri Sascha Putz, Director (ceased to be director w.e.f. close of business hours of 28 July 2023)
Close members of the family of key management personnel	
Shri Krishnakumar Srinivasan	Smt. Sumati Krishnakumar
Shri Luv Deepak Shriram	Smt. Meenakshi Dass
	Shri Kush Deepak Shriram
	Smt Nandishi Shriram
	Smt. Arati Shriram
Entity over which , Key management personnel and their Close members of the family has significant influence or control	Shriram Veritech Solutions Pvt. Ltd.
	S.R. Dinodia & Co. LLP
	Manisha Commercial Pvt. Ltd
	Deepak C. Shriram & Sons HUF
	Sera Com Pvt. Ltd.
	Sarva Commercial Pvt. Ltd.
	Shabnam Commercial Pvt. Ltd.
	Pradeep Dinodia HUF
	Luv Arati and Associates (AOP)
	Deepak Shriram Family Benefit Trust
	NAK Benefit Trust
Post-employment benefit plan entity	Shriram Pistons & Rings Ltd Gratuity Fund Trust
	Shriram Pistons & Rings Ltd Superannuation Fund Trust
	Shriram Pistons & Rings Ltd. Officers' Provident Fund Trust

Notes to the consolidated financial statements for the year ended 31 March 2024

B. Related party transactions

(i) Transactions during the year

Rs. million

Particulars	Entity over which, Key management personnel and their Close members of the family has significant influence or control		Key management personnel (KMP)		Close members of the family of key management personnel		Post-employment benefit plan entity		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Remuneration										
Short-term employees benefit	-	-	155.58	118.99	-	-	-	-	155.58	118.99
Post- employment benefit	-	-	2.48	2.48	-	-	-	-	2.48	2.48
Commission to directors	-	-	68.42	49.78	-	-	-	-	68.42	49.78
Legal expenses	1.44	1.20	-	-	-	-	-	-	1.44	1.20
Rent	1.85	3.41	1.44	1.44	0.96	0.96	-	-	4.25	5.81
Interest on deposits	0.35	0.44	0.98	2.30	1.75	3.15	-	-	3.08	5.89
Directors sitting fees	-	-	9.60	12.40	-	-	-	-	9.60	12.40
Dividend paid	141.84	132.39	12.60	11.76	0.01	0.01	-	-	154.45	144.16
Contribution paid	-	-	-	-	-	-	261.35	90.10	261.35	90.10
Deposits paid during the year	2.00	-	15.81	12.65	15.50	9.00	-	-	33.31	21.65
Purchase of material / stores	10.52	13.62	-	-	-	-	-	-	10.52	13.62

*Rounded off to zero

(ii) Balances due from/to the related parties

Rs. million

Particulars	Entity over which, Key management personnel and their Close members of the family has significant influence or control		Key management personnel (KMP)		Close members of the family of key management personnel		Post-employment defined benefit plan entity		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Deposits accepted	2.50	4.50	-	15.81	8.28	23.78	-	-	10.78	44.09
Interest accrued but not due	0.55	0.82	-	3.94	1.22	3.67	-	-	1.77	8.43
Amount payable/ (recoverable)	0.10	0.16	167.99	114.07	-	-	14.46	(36.74)	182.55	77.49

Note :

i) The deposit from related parties have been accepted on same rate of interest as applicable for other unrelated parties.

ii) The amount outstanding from related parties are unsecured and will be settled in cash.

iii) The transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions.

Notes to the consolidated financial statements for the year ended 31 March 2024

36. Information pursuant to clause 3 (vii) (b) of the Companies (Auditor's Report) Order, 2020 in respect of disputed dues, not deposited as at 31 March 2024, pending with various authorities:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates (various years covering the period)	Amount Involved* (Rs. million)	Amount Unpaid (Rs. million)	Amount Paid (Rs. million)
Income Tax Act, 1961	Income tax	Appellate authority up to Commissioners' level	2003-04, 2004-05, 2015-16, 2016-17, 2017-18, 2018-19, 2020-21, 2022-23	79.15	-	79.15
Income tax Act, 1961	Income tax	Appellate authority up to Commissioners' level	Assessment Year 2012-13	3.98	3.98	-
Income tax Act, 1961	Income tax	Appellate authority up to Commissioners' level	Assessment Year 2017-18	21.05	13.21	7.84
Income tax Act, 1961	Income tax	Appellate authority up to Commissioners' level	Assessment Year 2018-19	6.10	6.10	-
Income tax Act, 1961	Income tax	Appellate authority up to Commissioners' level	Assessment Year 2020-21	4.63	4.63	-
Finance Act, 1994	Service Tax	Custom, Excise & Service Tax Appellate Tribunal (CESTAT)	2012-13, 2013-14, 2014-15, 2015-16	19.79	19.28	0.51
Central Sales Tax Act, 1956	Sales Tax	Appellate Tribunal	2012-13, 2015-16	1.72	1.30	0.41
Sales Tax Laws	Sales Tax / Value Added Tax/ Entry Tax	Appellate authority up to Commissioners' level	2007-08, 2008-09, 2016-17, 2017-18	54.92	46.51	8.41
		Appellate Tribunal	2010-11, 2011-12, 2012-13, 2015-16	37.93	23.56	14.37
Goods & Service Tax Act 2017	Goods & Services Tax	Appellate authority up to Commissioners' level	2017-18	10.44	9.63	0.81
Goods and Services Tax Act 2017	Goods and Services tax Act 2017	Adjudicating Authority	From July 2017 to March 2021	0.89	0.89	-
Goods and Services Tax Act 2017	Goods and Services tax Act 2017	Adjudicating Authority	From July 2017 to March 2021	0.45	0.43	0.02
Goods and Services Tax Act 2017	Goods and Services tax Act 2017	Asst. Commissioner, CGST-Commissionerate, Alwar	July 2017 to September 2023	62.55	0.41	62.14

* amount as per demand orders including interest and penalty wherever quantified in the order.

37. Leases :

The changes in the carrying value of right of use assets for the year ended 31 March 2024 are as follows:

Rs. million

Particulars	Land	Buildings	Motor Car	Total
As at 31 March 2023				
Gross carrying amount				
Opening gross carrying amount	688.78	386.73	-	1,075.51
Additions	280.77	66.96	34.38	382.11
Addition pursuant to business combination (refer note 48 b)	2.69	28.75	-	31.44
Disposals	(259.74)	-	-	(259.74)
Closing gross carrying amount as at 31 March 2023	**712.50**	**482.44**	**34.38**	**1,229.32**

Notes to the consolidated financial statements for the year ended 31 March 2024

Rs. million

Particulars	Land	Buildings	Motor Car	Total
Accumulated amortization				
Opening accumulated depreciation	18.49	168.36	-	186.85
Depreciation / amortisation charged during the year	8.48	60.91	1.46	70.85
Closing accumulated depreciation as at 31 March 2023	**26.97**	**229.27**	**1.46**	**257.70**
Net carrying amount as at 31 March 2023	**685.53**	**253.17**	**32.92**	**971.62**
As at 31 March 2024				
Gross carrying amount				
Opening gross carrying amount	712.50	482.44	34.38	1,229.32
Additions	-	24.12	22.10	46.22
Addition pursuant to business combination (refer note 48 a)	74.99	-	-	74.99
Disposals	(1.92)	(16.63)	-	(18.55)
Closing gross carrying amount as at 31 March 2024	**785.57**	**489.93**	**56.48**	**1,331.98**
Accumulated amortization				
Opening accumulated depreciation	26.97	229.27	1.46	257.70
Depreciation / amortisation charged during the year	9.91	60.02	9.06	78.99
Disposals	-	(14.45)	-	(14.45)
Closing accumulated depreciation as at 31 March 2024	**36.88**	**274.84**	**10.52**	**322.24**
Net carrying amount as at 31 March 2024	**748.69**	**215.09**	**45.96**	**1,009.74**

The movement in lease liabilities during the year ended 31 March 2024 is as follows:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Balance at the beginning	342.88	249.88
Additions	46.22	153.13
Deletions	(4.03)	-
Finance cost accrued during the period	29.36	23.25
Payment of lease liabilities	(97.70)	(83.38)
Balance at the end	**316.73**	**342.88**

The break-up of current and non-current lease liabilities as of 31 March 2024 is as follows:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Current	55.86	66.44
Non-current	260.87	276.44
Total	**316.73**	**342.88**

Notes to the consolidated financial statements for the year ended 31 March 2024

The details of contractual maturities of lease liabilities on an undiscounted basis:

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Less than one year	82.32	88.96
One to five years	242.79	248.86
More than five years	249.02	276.88
Total	**574.13**	**614.70**

The following are the amounts recognised in Statement of Profit or Loss:

Rs. million

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation expense of right of use assets	78.99	70.85
Interest expenses on lease liabilities	29.36	22.69
Expense relating to other than non-current leases (included in other expenses) #	23.57	19.62
Total amount recognised in Statement of Profit or Loss	**131.92**	**113.16**

Lease payments not recognised as a liability

The Group has elected not to recognise a lease liability for current leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The Group does not have any liability to make variable lease payments for the right-to-use the underlying asset recognised in the financials.

Total cash outflow for short-term leases for the year ended 31 March 2024 is Rs. 23.57 million (previous year Rs. 19.62 million).

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised on balance sheet:

Rs. million

	Right of use assets taken under lease (nos.)	Range of remaining term (years)	Average remaining lease term (years)
Building			
- 31 March 2024	40	1 to 10.75	11
- 31 March 2023	41	1 to 11.75	12
Land			
- 31 March 2024	16	2.75 to 99	97
- 31 March 2023	15	2 to 99	98
Car			
- 31 March 2024	58	4 to 5	4
- 31 March 2023	33	4 to 5	5

The Group does not face a significant liquidity risk with regard to its lease liabilities to meet the obligations related to lease liabilities as and when they fall due.

Notes to the consolidated financial statements for the year ended 31 March 2024

38. Segment reporting

The Group is engaged in a single segment i.e. the business of "automotive components" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the Group's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

Geographical information in respect of sale of products from customers is given below

Rs. million

	Year ended 31 March 2024	Year ended 31 March 2023
Domestic Sale	25,245.10	20,800.81
Export Sale	5,182.80	4,841.37
	30,427.90	**25,642.18**

Notes:

a) There are no non-current assets domiciled outside India.

b) During financial year ended 31 March 2024, revenue from one customer amounting to Rs 3,051.56 million (previous year 2,756.34 million) represents 10% or more of the Group's revenue from operations.

39. Contingent liabilities

Rs. million

	As at 31 March 2024	As at 31 March 2023
Claims against the Group disputed and not acknowledged as debts		
- Sales tax*	94.56	88.46
- Service tax*	19.79	18.77
- Excise Duty*	-	9.54
- Goods & Services Tax*	74.33	0.11
- Income tax*	37.17	1.43
- Employees' State Insurance#	28.83	28.83
- Labour matters#	300.40	246.06
- Commercial matters	25.84	24.97

All the above matters are subject to legal proceedings in the ordinary course of business. In the opinion of the management, the legal proceedings, when ultimately concluded, will not have a material effect on operations or the financial position of the Group.

* refer note 36

this pertains to the legal proceedings related to labour cases.

40. Capital and other commitments

Rs. million

		As at 31 March 2024	As at 31 March 2023
i)	Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	582.41	199.00

Notes to the consolidated financial statements for the year ended 31 March 2024

ii) Outstanding export obligation required to be fulfilled under the EPCG scheme against import of some machines/ capital equipments is as under:

a) average export obligation of Rs 2,619.17 million every year (previous year Rs. 1,927.01 million every year) to be fulfilled till the time specific export obligation is discharged and

b) specific export obligation of Rs. 67.30 million (previous year Rs. 21.80 million) to be fulfilled over a period of maximum up to 5 years. Customs duty saved against outstanding export obligation is Rs. 11.13 million (previous year Rs.3.34 million).

The Group has other commitments, for purchase / sales orders which are issued after considering requirements as per operating cycle for purchase / sale of goods, employee benefits including union agreements in normal course of business. The Group does not have any other long term commitments or material non-cancellable contractual commitments, which may have a material impact on the financial statements.

41. Investment in subsidiary

i) The Holding Company has made investment in equity shares of the following subsidiary (intermediary) for further investment in equity shares of ultimate beneficiary as under:

During the year ended 31 March 2024

Rs. million

Name of the intermediary	Date of investment into intermediary	Amount of investment in intermediary	Name of the ultimate beneficiary	Date of investment by intermediary into ultimate beneficiary	Amount of investment by intermediary into ultimate beneficiary
SPR Engenious Limited	10 October 2023	675.09	SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	16 October 2023	675.09
	05 February 2024	700.00	SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	01 February 2024	(15.12)*
				01 March 2024	700.00

*Rs. 55.0 million were held back in financial year 2022-23 to be paid as per terms of the Share Purchase Subscription Agreement. On 01 February 2024, Rs. 39.88 million paid to sellers after adjustment of Rs. 15.12 million on account of closing adjustments as per terms of Share Purchase Subscription Agreement. This has resulted into reduction in investment of SPR Engenious Limited in SPR EMF Innovations Private Limited ((formerly EMF Innovations Private Limited) by Rs. 15.12 million.

During the year ended 31 March 2023

Rs. million

Name of the intermediary	Date of investment into intermediary	Amount of investment in intermediary	Name of the ultimate beneficiary	Date of investment by intermediary into ultimate beneficiary	Amount of investment by intermediary into ultimate beneficiary
SPR Engenious Limited	23 November 2022	299.50	SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	11 January 2023	780.03 *
	30 December 2022	480.53			

*Includes Rs. 55.0 million to be paid as per terms of the Share Purchase Subscription Agreement

Notes to the consolidated financial statements for the year ended 31 March 2024

ii) With regard to the above investments made during the financial year 2022-23 and financial year 2023-24, the Group has complied with the relevant provisions of the applicable laws.

42. Fair value measurement

i) The carrying value and fair value of financial instruments by categories as of 31 March 2024 are as under:

Rs. million

Particulars	Financial assets/ (financial liabilities) at fair value	Total carrying value	Total fair value
Financial assets/(financial liabilities)			
Investment in mutual fund	1,097.39	1,097.39	1,097.39
Investments in other equity instruments	48.00	48.00	48.00
Bank deposits	1,350.86	1,350.86	1,350.86
Security deposits	209.70	209.70	209.70
Derivatives instruments*			
- Cross Currency Swap	26.18	26.18	26.18
- Forward contracts	1.79	1.79	1.79
- Forward contracts	(0.55)	(0.55)	(0.55)
- Put option liabilities (refer note 23)	(82.73)	(82.73)	(82.73)
- Call option asset (refer note 9)	41.00	41.00	41.00
Total	**2,691.64**	**2,691.64**	**2,691.64**

The carrying value and fair value of financial instruments by categories as of 31 March 2023 are as under:

Rs. million

Particulars	Financial assets/ (financial liabilities) at fair value through profit or loss (FVTPL)	Total carrying value	Total fair value
Financial assets/(financial liabilities)			
Investment in mutual fund	674.97	674.97	674.97
Investments in other equity instruments	48.00	48.00	48.00
Bank deposits	771.97	771.97	771.97
Security deposits	195.48	195.48	195.48
Derivatives instruments*			
- Cross Currency Swap	23.41	23.41	23.41
- Forward contracts	1.96	1.96	1.96
Total	**1,715.79**	**1,715.79**	**1,715.79**

*Change in fair value is recognised in other comprehensive income.

ii) **Fair value hierarchy**

The Group uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3.

Level 1 - This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Notes to the consolidated financial statements for the year ended 31 March 2024

Level 3 - This level includes financial assets and liabilities, measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2024:

Rs. million

Particulars	As at 31 March 2024	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3#
Financial assets/(liabilities)				
Investment in mutual fund*	1097.39	-	1097.39	-
Investments in other equity instruments**	48.00	-	-	48.00
Bank deposits	1,350.86	1,350.86	-	-
Security deposits****	209.70	-	-	209.70
Derivatives instruments				
- Cross Currency Swap***	26.18	-	26.18	-
- Forward contracts***	1.79	-	1.79	-
- Forward contracts***	(0.55)	-	(0.55)	-
- Put option liabilities (refer note 23)#	(82.73)	-	(82.73)	-
- Call option asset (refer note 9)#	41.00	-	41.00	-
Total	**2,691.64**	**1,350.86**	**1,083.08**	**257.70**

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2023:

Rs. million

Particulars	As at 31 March 2023	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3#
Financial assets/(liabilities)				
Investment in mutual fund*	674.97	-	674.97	-
Investments in other equity instruments**	48.00	-	-	48.00
Bank deposits	771.97	771.97	-	-
Security deposits****	195.48	-	-	195.48
Derivatives instruments				
- Cross Currency Swap***	23.41	-	23.41	-
- Forward contracts***	1.96	-	1.96	-
Total	**1,715.79**	**771.97**	**700.34**	**243.48**

There is no transfer between the fair value measurement hierarchy amongst level 1, level 2 and level 3 during the year ended 31 March 2023 and 31 March 2024.

* The fair values are based on net asset value.

** This is the transaction price as at which the investment was made. In accordance with the Share Holder's Agreement

Notes to the consolidated financial statements for the year ended 31 March 2024

('SHA') executed between the Holding Company and Lalganj Power Private Limited, the Holding Company of Lalganj Power Private Limited or any its nominees have an obligation to buy-back the aforementioned equity shares held by the Holding Company for an amount, at the price at which the shares were acquired by the Holding Company.

*** The fair values are based on exchange rates as at the reporting date.

****The fair value is based on the valuation model which considers the present value of expected payment, discounted using a risk-adjusted discount rate. The own non-performance risk was assessed to be insignificant.

The fair valuation of put option liabilities and call option asset is based on the simulated EBITDA using Monte Carlo simulation.

iii) Financial assets and financial liabilities that are measured at amortised cost are :

Rs. million

Particulars	Carrying amount	
	As at 31 March 2024	As at 31 March 2023
Financial assets		
Trade and other receivables	4,760.55	3,965.90
Cash and cash equivalents	534.90	305.15
Other bank balances	8,084.82	6,163.77
Other financial assets	442.70	195.95
Financial liabilities		
Borrowings	4,549.13	2,988.67
Trade payables	3,559.80	2,915.24
Lease Liabilities	316.73	342.88
Other financial liabilities	1,220.19	819.11

The carrying value of above financial assets and financial liabilities approximate its fair value.

43. Capital management

The Group's objective for managing capital is to ensure as under:

i) Ensure the Group's ability to continue as a going concern

ii) Maintain a strong credit rating and debt equity and capital gearing ratio in order to support business and maximize the shareholders' value.

iii) Maintain an optimal capital structure.

iv) Compliance of financial covenants under the borrowing facilities.

The Group manages its capital structure keeping in view of:

i) Compliance of financial covenants under the borrowing facilities

ii) Changes in economic conditions

In order to achieve this overall objective of capital management, amongst other things, the Group aims to ensure that it meets financial covenants attached to the borrowings facilities defining capital structure requirements, where breach in meeting the financial covenants may permit the lender to call the borrowings.

There have been no breach in the financial covenants of any borrowing facility in the current period. There is no change in the objectives, policies or processes for managing capital over previous year. To maintain the capital structure, the Group may vary the dividend payment to shareholders.

Notes to the consolidated financial statements for the year ended 31 March 2024

For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Holding Company and net debt includes total liabilities, comprising interest bearing loans and borrowings, excluding any dues to subsidiaries or group companies less cash and cash equivalents.

The Group monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts adjusted with available cash and bank balances divided by total capital (equity attributable to owners of the Group."

The funding requirement of the Group is primarily met through internal accruals, leading to a negative net debt position as under:

Rs. million

	As at 31 March 2024	As at 31 March 2023
Borrowings (refer note 17 and 21) (including current maturities	4,549.13	2,988.67
Less: cash and bank balances (refer note 14)	8,619.72	6,468.92
Net debt	**(4,070.59)**	**(3,480.25)**

44. Financial risk management

The Group's principal financial liabilities, other than derivatives, comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that it derives directly from its operations. The Group also holds FVTPL current investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks under appropriate policies and procedures.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL current investments and derivative financial instruments.

a) Foreign exchange risk

The Group is exposed to foreign exchange risk through its sales and purchases from overseas in foreign currencies mainly in USD, EURO, CNY and JPY. The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Group's operations may be adversely affected as the rupee appreciates/ depreciates against these currencies.

Sensitivity

Each percentage point change in the foreign exchange rates has an impact on profit before tax / total equity as follows:

Rs. million

	Profit before tax		Total equity	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Exchange rate - increase by 1%	(2.61)	(1.94)	(1.95)	(1.45)
Exchange rate - decrease by 1%	2.61	1.94	1.95	1.45

Notes to the consolidated financial statements for the year ended 31 March 2024

The Group's foreign currency risk from financial instruments are as under:

(Foreign currency million)

Particulars	Currency	As at 31 March 2024			As at 31 March 2023		
		Total	Hedged	Net	Total	Hedged	Net
Trade and other receivables	USD	9.44	7.43	2.01	8.16	3.70	4.46
	EUR	5.50	3.93	1.57	4.58	2.62	1.96
	JPY	14.20	0.75	13.45	24.85	-	24.85
	GBP	0.24	-	0.24	0.02	0.02	-
Trade payables	USD	1.02	-	1.02	1.22	0.06	1.16
	EUR	1.17	-	1.17	0.24	-	0.24
	CNY	1.89	-	1.89	-	-	-
	JPY	462.64	-	462.64	282.20	133.20	149.00
	THB	19.88	-	19.88	-	-	-
Advance to suppliers	USD	0.30	-	0.30	-	-	-
Capital advance	USD	0.10	-	0.10	-	-	-
	CNY	3.19	-	3.19	-	-	-
Capital creditors	JPY	145.68	145.68	-	145.68	145.68	-
Borrowings	USD	6.45	6.45	-	7.59	7.59	-
	SGD	0.99	0.99	-	-	-	-

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the Group enters into cross currency interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

The Group is not exposed to any significant /material interest rate risk.

Sensitivity

Variable interest rate loan are exposed to interest rate risk, impact on profit before tax / total equity may be as follows:

Rs. million

	Profit before tax		Total equity	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Interest rate - increase by 0.50%	22.75	14.94	17.02	11.18
Interest rate - decrease by 0.50%	(22.75)	(14.94)	(17.02)	(11.18)

ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily

Notes to the consolidated financial statements for the year ended 31 March 2024

trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactionsand other financial instruments. Credit risk is managed by Group's established policy, procedures and control relating to customer credit risk management.

Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. The Group uses expected credit loss model to assess the impairment loss and makes an allowance for doubtful debts using expected credit loss model on case to case basis.

Movement in the expected credit loss allowance

Rs. million

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Balance at beginning of the year	32.21	30.16
Add: Provided during the year	5.21	2.05
Less: Reversal of provision	-	
Less: Amount written off	-	-
Balance at the end of the year	**37.42**	**32.21**

The ageing analysis of trade receivables (net) before adjustment of expected credit loss provision of Rs. 37.42 million (31 March 2023: Rs. 33.11 million) as of the reporting date is as follows:

Age Bracket	Not due	Less than 6 months	6 month to 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivable (gross)	3,961.22	768.29	27.32	21.66	3.91	15.57	4,797.97
Less: Allowance for expected credit loss	-	4.70	2.00	11.24	3.91	15.57	37.42
Trade receivable (net)	3,961.22	763.59	25.32	10.42	-	-	4,760.55
Expected credit loss %	-	**0.61%**	**7.30%**	**51.90%**	**100.00%**	**100.00%**	**0.78%**
As at 31st March 2023							
Trade receivable (gross)	3,511.07	437.47	26.08	6.02	3.38	14.09	3,998.11
Less: Allowance for expected credit loss	-	4.41	4.31	6.02	3.38	14.09	32.21
Trade receivable (net)	3,511.07	433.06	21.77	-	-	-	3,965.90
Expected credit loss %	-	**1.01%**	**16.51%**	**100.00%**	**100.00%**	**100.00%**	**0.81%**

iii) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans. Liquidity risk is managed by Group's established policy & procedures made under liquidity risk management framework. The Group manages liquidity risk by maintaining adequate reserves, banking facilities, and reserve borrowing facilites,by continuously forecast and actual cash flows, and by matching the maturity profile of financial assets and liabilities.

Notes to the consolidated financial statements for the year ended 31 March 2024

The financial assets and liabilities have been appropriately disclosed in financial statements as current and non current portion. The maturity period of non current financial assets and financial liabilities ranges between 1 to 6 years except lease liabilities where period may vary as per respective lease agreements.

Rs. million

	As at 31 March 2024	As at 31 March 2023
On demand		
- Borrowings	1,900.02	1,122.08
Less than 1 year		
- Borrowings	578.13	406.41
-Trade payables	3,559.80	2,915.24
-Lease liabilities	55.86	66.44
-Other financial liabilities	1,053.01	725.33
More than 1 year		
- Borrowings	2,070.98	1,460.18
-Lease liabilities	260.87	276.44
-Other financial liabilities	85.00	93.78
Details of undrawn facilities of the Company from banks and financial institutions (fund based as well as non fund based):		
Total Committed working capital limits from Banks	4,399.50	3,085.00
Utilized working capital limit	2,489.05	1,741.51
Unutilized working capital limit	1,910.45	1,343.49

iv) Commodity risk

Commodity price risk is the financial risk on the Group's profitability upon fluctuations in the prices of commodities since they are primarily driven by external market forces. Sharp fluctuations in commodity prices can affect production costs, product pricing and earnings. This price volatility makes it imperative for an entity to manage the impact of commodity price fluctuations across its value chain to effectively manage its financial performance and profitability. To mitigate these risks, the company employs multiple levers, each chosen based on a cost benefit analysis and the extent of exposure to commodity price fluctuations. These include assessing the feasibility of passing any adverse fluctuations onto customers through price increases, continuously engaging in cost optimisation initiatives and process improvement exercises. The Group also explores options such as localizing imports/ implementing global sourcing strategies to ensure most cost effective sourcing. Based on the assessment by the Group and after factoring the ability to optimise costs and pass on prices to customers, no individual commodity is expected to have a significant adverse impact on the financial performance/profitability beyond its materiality threshold approved by the Board.

v) Other price risks

The Group has deployed its surplus funds into various financial instruments including units of mutual funds. The Group is exposed to NAV (net asset value) price risks arising from investments in these funds. The value of these investments is impacted by movements in interest rates , liquidity and credit quality of underlying securities.

45. Hedge accounting

i) Forwards contracts

The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place.

Notes to the consolidated financial statements for the year ended 31 March 2024

Details of forward foreign currency contracts outstanding at the end of reporting period are as under:

(Foreign currency million)

Outstanding contracts	Currency	As at 31 March 2024	As at 31 March 2023
Maturing not later than one month	USD/INR	3.03	3.76
	EUR/INR	1.68	1.37
	EUR/USD	0.15	-
	JPY/INR	146.43	-
	JPY/USD	32.81	33.20
	GBP/INR	-	0.10
Maturing later than one month and not later than three months	USD/INR	4.41	-
	EUR/INR	2.26	1.25
	EUR/USD	0.41	-
	JPY/USD	225.00	100.00
	GBP/USD	0.08	-
Maturing later than three month and not later than one year	JPY/INR	-	145.68
	JPY/USD	100.00	-
	SGD/INR	1.00	-

The Group has designated foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The related hedge transactions for balance lying in cash flow hedging reserve are expected to occur and reclassified in the statement of profit or loss within 6 months.

Hedge effectiveness is determined at the inception of the hedge relationship. To ensure that an economic relationship exists between the hedged item and hedging instrument, the Group matches the critical terms of the hedged items and hedging instruments.

ii) Reconciliation of cash flow hedge reserve are as under:

Rs. million

Particulars	As at 31 March 2024	As at 31 March 2023
Assets /(liabilities)		
Balance at the beginning of the year	0.33	(10.05)
Gain / (loss) recognised in other comprehensive income during the year	(2.07)	13.87
Tax impact on above	0.45	(3.49)
Balance at the end of the year	(1.29)	0.33

46. The Group does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.

47. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund (IEPF) by the Group during the year.

Notes to the consolidated financial statements for the year ended 31 March 2024

48. Business Combinations

a) SPR Takahata Precision India Private Limited

On 08 February 2023 has approved acquisition of majority stake of 75% in SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) (SPR-TPIPL) through SPR Engenious Limited (SEL), its wholly-owned subsidiary. The definitive agreements in connection with the acquisition transaction were executed on 09 February 2023.

Further, on 14 October 2023, the Board of Directors of the Company approved the proposal for amending the Share Purchase Agreement (SPA) and Shareholders' Agreement (SHA) in the form of addendums to the SPA and SHA dated 09 February 2023 with respect to acquisition of 62% stake in SPR-TPIPL through SEL. The acquisition of SPR-TPIPL has been completed on 16 October 2023. With this, SPR-TPIPL has become a step-down subsidiary of the Company deals in precision injection moulded parts, fits into Group's strategy of inorganic growth and qualifies as a business as defined in IND AS 103. The valuation models used in the fair valuation of assets and liabilities acquired in the business combination included discounting cash flow method, multi period excess earning method etc using assumptions such as future cash flows, contributory asset charges, discount rate applied, etc., which are subject to high estimation uncertainty. The amounts recognised in respect of the identifiable assets acquired and liabilities assumed by SEL on acquisition date are as set out in the table below:

Rs. million

Particulars	Amount
Fair value of consideration transferred	
Purchase Consideration	675.10
Total (A)	**675.10**
Assets aquired	
a) Property, plant and equipment	1,228.64
b) Capital work-in-progress	12.16
c) Right of use assets	74.99
d) Other intangible assets	267.08
e) Trade receivables	429.10
f) Inventories	256.05
g) Cash and cash equivalent	310.35
h) Call option asset	41.00
i) Other assets	122.82
Total assets acquired (i)	**2,742.19**
Liabilities assumed	
a) Borrowings	1,320.10
b) Deferred tax liabilities	69.42
c) Trade payables	169.48
d) Other liabilities	163.82
Total liabilities assumed (ii)	**1,722.82**
Net assets acquired (B) (i-ii)	**1,019.37**
Non-controlling interest (C)	**413.80**
Goodwill (A-B+C)	**69.53**

Notes to the consolidated financial statements for the year ended 31 March 2024

The non-controlling interest (38% ownership interest in SPR-TPIPL) recognised at the acquisition date was measured by reference to the fair value of the non-controlling interest and amounted to Rs. 413.80 million. This fair value was estimated using following key model inputs:

i) Assumed discount rate of 17.7%

ii) Assumed long-term sustainable growth rates of 4%

iii) Assumed adjustments because of the lack of control or lack of marketability that market participants would consider when estimating the fair value of the non-controlling interests in SPR-TPIPL.

SPR-TPIPL has contributed Rs.1,230.05 million to Group's revenue from operation and Rs. 80.61 million to the Group's profit for the year ended 31 March 2024. Further, SPR-TPIPL would have contributed Rs. 2,675.08 million to Group's revenue from operations and Rs. 129.94 million to the Group's profit for the year ended 31 March 2024 if the acquisition date for the business combination had been as of the beginning of the annual reporting period.

i) Derivative instruments - Call option assets and Put option liabilities

The Share Purchase Agreement executed between SEL and minority shareholders of SPR-TPIPL also includes a call option with SEL to buy remaining stake in SPR-TPIPL from the minority shareholders and a corresponding put option with the minority shareholders to ask SEL to purchase their shares during specified periods mentioned therein. Acordingly, the Group has recognised a put liability aggregating to Rs. 82.73 million and call option asset amounting to Rs. 41.00 million with respect to such options in accordance with the requirements of Ind AS 32, Financial Instruments Presentation.

b) SPR EMF Innovations Private Limited

The Holding Company has invested Rs. 1,200 million in SPR Engenious Limited (SEL), its wholly owned subsidiary (WOS) which was incorporated on 26 September 2022 with the Registrar of Companies (Delhi & Haryana) with the purpose of diversifying its product portfolio in the areas related to the automotive segment.

On 11 January 2023, SEL acquired 51% of share capital of SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited) (SPR-EMFI) for a cash consideration of Rs. 780.03 million, thereby obtaining control of SPR-EMFI. SPR-EMFI is into manufacturing of electric vehicle drive train components such as Electric Motors and Motor Controllers for the Electric Vehicles & other applications, which fits into Group's strategy of inorganic growth and qualifies as a business as defined in IND AS 103. The valuation models used in the fair valuation of assets and liabilities acquired in the business combination included discounting cash flow method, multi period excess earning method etc using assumptions such as future cash flows, contributory asset charges, discount rate applied, etc., which are subject to high estimation uncertainty. The amounts recognised in respect of the identifiable assets acquired and liabilities assumed by SEL on acquisition date are as set out in the table below:

Rs. million

Particulars	Amount
Fair value of consideration transferred	
Purchase Consideration	780.03
Total (A)	**780.03**
Assets aquired	
a) Property, plant and equipment	42.77
b) Right of use assets	31.44
c) Intangible assets	700.21
d) Other non current financial assets	1.29
e) Other non-current assets	2.59
f) Inventories	74.88
g) Other current financial assets	270.35
h) Current tax assets (net)	0.16
i) Other current assets	39.89
Total assets acquired (i)	**1,163.58**

Notes to the consolidated financial statements for the year ended 31 March 2024

Rs. million

Particulars	Amount
Liabilities assumed	
a) Financial liabilities	179.52
b) Other non current liabilities	3.98
c) Other Current Liabilities	70.34
d) Deferred tax liabilities	81.00
Total liabilities assumed (ii)	**334.84**
Net assets acquired (B) (i-ii)	**828.74**
Non-controlling interest (C)	**445.61**
Goodwill (A-B+C)	**396.90**

The non-controlling interest (49% ownership interest in SPR-EMFI) recognised at the acquisition date was measured by reference to the fair value of the non-controlling interest and amounted to Rs. 445.61 million. This fair value was estimated using following key model inputs:

i) Assumed discount rate of 22.2%

ii) Assumed long-term sustainable growth rates of 2%

iii) Assumed adjustments because of the lack of control or lack of marketability that market participants would consider when estimating the fair value of the non-controlling interests in SPR-EMFI.

SPR-EMFI has contributed Rs.45.37 million to Group's revenue from operation and Rs. 8.57 million to the Group's profit for the year ended 31 March 2023. Further, SPR-EMFI would have contributed Rs. 229.13 million to Group's revenue from operations and Rs. (52.58) million to the Group's profit for the year ended 31 March 2024 if the acquisition date for the business combination had been as of the beginning of the annual reporting period.

49. Interests in other entities

The Group's subsidiaries at 31 March 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Place of business / Country of incorporation	Ownership interest held by the group	Ownership interest held by non-controlling interests
SPR Engenious Limited	India	100%	-
SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)*	India	*66.42%	33.58%
SPR Takahata Precision India Private. Limited (formerly Takahata Precision India Private Limited)**	India	**62%	38.00%

The Group is engaged in a single segment i.e. the business of "automotive components".

The following table summarises the information relating to each of the Group's subsidiaries that has non-controlling interests, before any intra group eliminations:

As at 31 March 2024

Rs. million

Particulars	SPR EMF Innovations Private Limited	SPR Takahata Precision India Private Limited
Non-controlling interest ('NCI') (%)	33.58%	38%
Non-current assets	241.04	1,304.91
Current assets	881.61	982.63
Non-current liabilities	70.44	965.61
Current liabilities	93.89	438.27
Net assets	**958.32**	**883.66**

Notes to the consolidated financial statements for the year ended 31 March 2024

Rs. million

Particulars	SPR EMF Innovations Private Limited	SPR Takahata Precision India Private Limited
Net assets attributable to NCI	321.80	335.79
Revenue	128.87	1,230.05
Profit after tax	(57.37)	80.61
Other comprehensive income	(0.22)	(0.47)
Total other comprehensive income	**(57.59)**	**80.14**
Profit allocated to NCI	(28.07)	30.63
OCI allocated to NCI	(0.09)	(0.18)
Cash flows (used in) / from operating activities	(88.26)	455.74
Cash used in investing activities	(573.82)	(28.05)
Cash flows from / (used in) financing activities	669.69	(312.84)
Net increase in cash and cash equivalents	**7.61**	**114.85**

As at 31 March 2023

Rs. million

Particulars	SPR EMF Innovations Private Limited
Non-controlling interest ('NCI') (%)	49.00%
Non-current assets	163.56
Current assets	310.79
Non-current liabilities	90.96
Current liabilities	67.48
Net assets	**315.91**
Net assets attributable to NCI	154.79
Revenue	45.37
Profit after tax	8.57
Other comprehensive income	-
Total other comprehensive income	**8.57**
Profit allocated to NCI	4.20
OCI allocated to NCI	-
Cash used in operating activities	(45.51)
Cash used in investing activities	(227.29)
Cash flows from financing activities	272.52
Net decrease in cash and cash equivalents	**(0.28)**

*During the year, the holding company has infused Rs. 700.00 million through subscription of equity share capital of SPR Engenious Limited (SEL), wholly owned subsidiary of the company. Further, SEL has infused Rs. 700.00 million by way of subscription to the equity share capital of SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited) (SPR-EMFI), step down subsidiary of the company. Accordingly, the shareholding of SEL in SPR-EMFI has increased from 51.00 % to 66.42%.

**The Board of Directors of the Group in its meeting held on 08 February 2023 has approved acquisition of majority stake of 75% in SPR Takahata Precision India Private Limited (SPR-TPIPL) through SPR Engenious Limited (SEL), its wholly-owned subsidiary. The definitive agreements in connection with the acquisition transaction were executed on 09 February 2023. Further, on 14 October 2023, the Board of Directors of the Group approved the proposal for amending the Share Purchase Agreement (SPA) and Shareholders' Agreement (SHA) in the form of addendums to the SPA and SHA dated 9 February 2023 with respect to acquisition of 62% stake in SPR-TPIPL through SEL. The acquisition of SPR-TPIPL has been completed on 16 October 2023. With this, SPR-TPIPL has become a step-down subsidiary of the Group.

Notes to the consolidated financial statements for the year ended 31 March 2024

50. Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 is given below:

For the year ended 31 March 2024

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Rs. million	As % of consolidated profit or loss	Rs. million	As % of consolidated profit or loss	Rs. million	As % of consolidated profit or loss	Rs. million
Holding								
Shriram Pistons & Rings Limited	78.62	19,498.57	99.61	4,467.64	101.02	65.79	99.64	4,533.43
Subsidiary								
SPR Engenious Limited	13.95	3,459.13	(0.13)	(5.99)	0.05	0.03	(0.13)	(5.96)
Stepdown Subsidiary								
SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	3.86	958.32	(1.28)	(57.37)	(0.34)	(0.22)	(1.27)	(57.59)
SPR Takahata Precision India Private. Limited (formerly Takahata Precision India Private Limited)	3.56	883.66	1.80	80.61	(0.73)	(0.48)	1.76	80.13
Sub total	**100.00**	**24,799.68**	**100.00**	**4,484.89**	**100.00**	**65.12**	**100.00**	4,550.01
Adjustment arising out of consolidation		(4,594.15)		(98.25)		-		(98.25)
Total		**20,205.53**		**4,386.64**		**65.12**		**4,451.76**

For the year ended 31 March 2023

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Rs. million	As % of consolidated profit or loss	Rs. million	As % of consolidated profit or loss	Rs. million	As % of consolidated profit or loss	Rs. million
Holding								
Shriram Pistons & Rings Limited	91.22	15,295.53	100.19	2,955.06	100.00	98.06	100.19	3,053.12
Subsidiary								
SPR Engenious Limited	7.07	1,185.78	(0.48)	(14.22)	-	-	(0.47)	(14.22)
Stepdown Subsidiary								
SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	1.71	287.18	0.29	8.57	-	-	0.28	8.57
Sub total	**100.00**	**16,768.49**	**100.00**	**2,949.41**	**100.00**	**98.06**	**100.00**	**3,047.47**
Adjustment arising out of consolidation		(1,044.12)		(10.63)		-		(10.63)
Total		**15,724.37**		**2,938.78**		**98.06**		**3,036.84**

Notes to the consolidated financial statements for the year ended 31 March 2024

51. The Holding Company has invested Rs. 2,300.00 million (previous year: Rs. 1,200.00 million) in SPR Engenious Limited (SEL), its wholly owned subsidiary (WOS), which has been incorporated on 26 September 2022 with the Registrar of Companies (Delhi & Haryana) through right issue with purpose of diversifying its product portfolio in the areas related to the automotive segment. During the year, the Holding Company has infused Rs. 700.00 million through subscription of equity share capital of SPR Engenious Limited (SEL), wholly owned subsidiary of the Holding Company. Further, SEL has infused Rs. 700.00 million by way of subscription to the equity share capital of SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited) (SPR-EMFI), step down subsidiary of the Holding Company. Accordingly, the shareholding of SEL in SPR-EMFI has increased from 51.00% to 66.42%. Accordingly, SEL became the material subsidiary in terms of Regulation 24(1) of SEBI Listing Regulations 2015.

52. During the year, Holding Company has acquired 62 % of equity share in SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited). Further, the Holding Company has provided following corporate guarantee in favour of the bank to provide additional security against term loan granted by the bank:

(Rs. million)

Name of the step down subsidiary	Name of the bank	Amount of loan	Amount of guarantee
SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	HDFC Bank	1,100.00	1,100.00

53. The Board of the Holding Company pursuant to shareholder's approval in the annual general meeting held on 06 July 2023, allotted 22,024,912 equity shares as bonus share in the ratio of 1:1 to those shareholders who held shares as on record date i.e. 24 July 2023.

54. SPR Engenious Limited, wholly owned subsidiary of the Holding Company has commenced manufacturing operations on 27 March 2024, at its facility located at Pithampur, Madhya Pradesh.

55. The Group has no transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

56. No proceedings have been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

57. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

58. The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

59. Following are the details of Funds received by SPR Engenious Limited (wholly-owned subsidiary of the Holding Company) for futher investment to the Ultimate Beneficiaries:

(Rs. million)

Name of the funding party	Date of receipt of funds from funding party	Amount funded by funding party (in Rs million)	Name of ultimate beneficiary	Date of investment into ultimate beneficiary	Amount invested in ultimate beneficiary
Shriram Pistons & Rings Limited	10 October 2023	675.09	SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	16 October 2023	675.09
	05 February 2024	700.00	SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	01 February 2024	(15.12)*
				01 March 2024	700.00

*Rs. 55.0 million were held back in financial year 2022-23 to be paid as per terms of the Share Purchase Subscription Agreement. On 01 February 2024, Rs. 39.88 million paid to sellers after adjustment of Rs. 15.12 million on account of closing adjustments as per terms of Share Purchase Subscription Agreement. This has resulted into reduction in investment of SPR Engenious Limited in SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited) by Rs. 15.12 million.

60. The Group is not declared wilful defaulter by any bank or financial institution or government or any government authority.

Notes to the consolidated financial statements for the year ended 31 March 2024

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

62. In terms of SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021, the Holding Company falls under the definition of "Large Corporate" (LC) as on 31 March 2024 based on following details:

Particulars	Amount in Rs. million
Outstanding Qualified Borrowings as on 31 March 2023	1,374.45
Outstanding Qualified Borrowings as on 31 March 2024	1,332.85
Highest credit rating of the company related to unsupported bank borrowing or plain vanilla bonds, which have no structuring/support built in	IND AA
Incremental borrowing during the financial year 2023-24	143.4
Borrowing by way of issuance of debt securities during the financial year 2023-24	NIL

In terms of SEBI Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/172 dated 19 October 2023, the Company has not made 25% of the incremental borrowings which amounts to Rs. 35.85 million, by way of issuance of debt securities during the financial year 2023-24 due to the following reasons:

i) The amount of borrowing required to be raised through debt securities is too insignificant.

ii) The cost of raising funds through debt securities for this small amount is not competitive.

63. Figures of previous year have been regrouped/ reclassified, wherever necessary, to correspond with the figures of the current period. The impact of such regrouping/ reclassification is not material to these consolidated financial statements.

64. The consolidated financial statements were approved for issued by the Board of Directors of the Holding Company on 13 May 2024.

65. The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall only use such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such change were made and ensuring that the audit trail cannot be disabled. The new requirement is applicable with effect from the financial year beginning on 1 April 2023.

During the current year, the audit trail (edit logs) feature for any direct changes made at the database level was not enabled for the accounting software SAP ECC used for maintenance of books of account of the Holding Company and one subsidiary ('SPR Engenious Limited'). However, the audit trail (edit log) at the application level for the accounting software were operating for all relevant transactions recorded in the software.

SPR EMF Innovations Private Limited (step-down subsidiary) has used Tally Prime Gold Release 4.0 upto 9 February 2024 and SPR Takahata Precision India Private Limited (step-down subsidiary) has used Tally Prime 2.1 upto 24 April 2023 as their accounting software for maintaining their respective books of account, however, the audit trail (edit log) feature was not enabled.

Subsequently, both the subsidiaries have migrated to Tally Prime Edit Log 4.0, which includes audit trail (edit log) feature for recording all relevant transactions.

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Inderdeep Singh
Director
DIN: 00173538

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Place: New Delhi
Date : 13 May 2024

NOTES

NOTES

Awards and Accolades

TPM Excellence Award -
Ghaziabad & Pathredi Plants
(JIPM, Japan)

Atmanirbhar Award
for Excellence in Export
(ACMA)

Atmanirbhar Award
for Excellence in NPDD & Localisation
(ACMA)

"Gold Trophy" for Export Excellence
Top Exporter Delhi, Non-MSME
(FIEO)

Award for Superior Performance
in Part Design & Development
(Maruti Suzuki India Ltd.)

Gold Award for Quality
(Bajaj Auto Ltd.)

Award for Excellent Performance
and Contribution in Quality,
Delivery and Continual Improvement
(Mitsubishi Heavy Industries -
VST Diesel Engines Pvt. Ltd.)

Award for Excellence in
Quality & Delivery
(Honda India Power Products Ltd.)

Award for
Best Performance in Quality
(Ashok Leyland Ltd.)

Award for Outstanding Contribution in
Overall Quality Excellence
(VE Commercial Vehicles Ltd.)

Awards and Accolades

ACMA Excellence Award
(ACMA)

Appreciation Award
(HYUNDAI)

EEPC India Quality Award
(EEPCINDIA)

Best Delivery Award
(Escorts Kubota)

Mr. Krishnakumar Srinivasan, MD & CEO, SPRL recieving the Award
(Maruti)

JIPM TPM Excellence Award
(Bajaj)

Award for Delivery Management
(Honda)

Spl. Trophy for Excellece in Exports of MEIS Items
(EEPCINDIA)

NPD Partnership Award
(Kirloskar Oil Engines)

Award for Supplier Quality in Best Quality Performance
(ISUZU)

Platinum Award for Quality
(Bajaj Auto Ltd.)

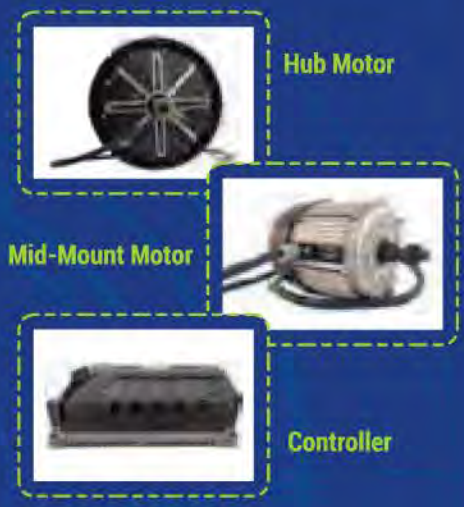
TPM Excellence Award
(JIPM, Japan)

SEL
SPR Engenious Ltd.

About
SPR Engenious Ltd.

SPR Engenious Limited (SEL), is a wholly owned subsidiary of Shriram Pistons & Rings Limited (SPRL), pioneers in India's auto component manufacturing sector. Established by SPRL to spearhead diversification and innovation, SEL is poised to drive future growth initiatives. Committed to expanding both existing and new product lines, SPRL aims to enrich its portfolio. Recently, SPRL, via SEL, finalized strategic acquisitions of SPR EMF Innovations Pvt. Ltd. and SPR Takahata Precision India Pvt. Ltd. These endeavors underscore SPRL's dedication to evolution and excellence, cementing its position as an industry leader committed to innovation and expansion.

SPR-emf INNOVATIONS
Moving The Future



About
SPR EMF Innovations

SPR EMF Innovations Pvt. Ltd. (SPR EMFI) is a young Technology Company co-founded by engineering entrepreneurs with substantial R&D and Manufacturing operations in Coimbatore, Tamil Nadu, and Singapore, thereby providing localized e-mobility solutions to customers in India and abroad. Shriram Pistons and Rings Ltd (SPRL) is now the majority shareholder in SPR EMFI post the majority share acquision in SPR EMFI through its wholly owned subsidiary SPR Engenious Ltd. With the Majority shareholding, SPRL aims to expand its presence in Electric Vehicle (EV) space to supply Electric Powertrain Components such as Motor & Controller covering all the vehicle segments from Two Wheelers, Three Wheelers, Passenger Vehicles, Commercial Vehicles and Buses to both domestic and global clients in the automotive and industrial sectors.

ELECTRIC MOTOR & CONTROLLER RANGE : 250W ~ 300KW

TYPE OF MOTORS

- **HUB Motors**
- **Mid Drive Motors**

TECHNOLOGIES

- **BLDC-** Brushless Direct Current Motor
- **PMSM-** Permanent Magnet Synchronous Motors
- **IPM-** Interior Permanent Magnet Motor
- **SRM-** Switch Reluctance Motors

APPLICATIONS

- **E-Bike (e-cycle)**
- **2 Wheeler**
- **3 Wheeler**
  - **Passenger**
  - **Cargo**
- **4W**
  - **Passenger Vehicles**
  - **Light Commercial Vehicle**
  - **Medium Commercial Vehicle**
- **Commercial Vehicles**
  - **Electric Bus**
  - **Electric Trucks**
- **Brake Motors**
- **Pump Motors**
- **Compressor Motors**

COMING SOON

- **Boat Motor**
- **Drone Motor**
- **Axial Flux Motor**

E-Bike	Two Wheeler	3 W / Pass / LCV	Cargo 3 Wheeler	Passenger car	Cargo vehicle	Bus platform	Medium & Heavy trucks
250 - 350 w	2 - 10 kw	4 - 18 kw	5 - 15 kw	15 - 60 kw	15 - 45 kw	60 - 120 kw	150 - 300 kw

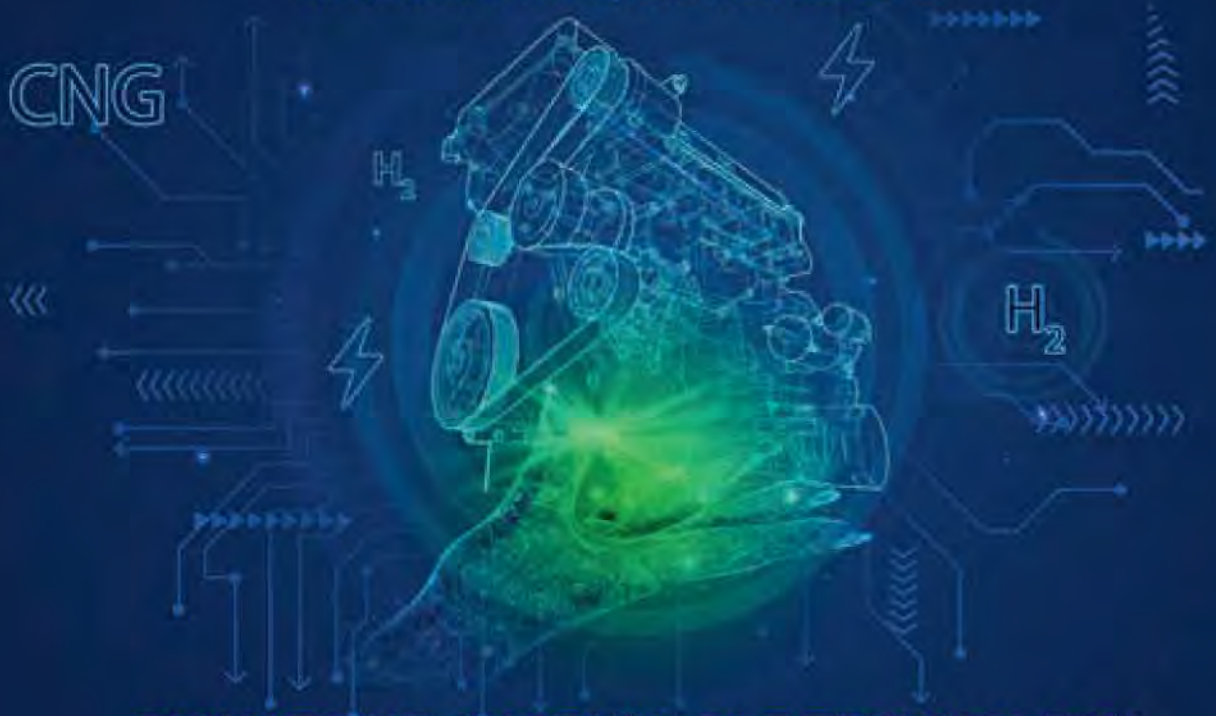
SPR TAKAHATA

About SPR Takahata Precision India Pvt. Ltd.

SPR Takahata Precision India Pvt. Ltd. (SPR TPIL) is the leading precision engineering company engaged in the manufacturing of precision moulded/assembled parts and precision metal moulds located at Neemrana, Rajasthan. Shriram Pistons & Rings Limited (SPRL) acquired (through its subsidiary, SPR Engenious Ltd.) a majority stake in SPR Takahata Precision India Pvt. Ltd. With this strategic investment, SPRL aims to diversify its product portfolio beyond the current Pistons, Piston Rings, Engine Valves and EV components to precision plastic injection moulded parts. With the operations & technology support of Takahata Japan to SPR TPIL, we will be able to service the domestic and global customers requiring precision moulded parts both for automotive & industrial applications. The product range of SPR TPIL includes Power Window Parts, Wiper Motor Parts, Door Lock Parts, Seat Belt Parts, Junction & Relay Box, Fuel Pump Module, Throttle Sensor, ECU, Steering Part, Head Lamp Unit Assembly, Case Parts, Starter Motor, Steering Parts, Air/C Parts, Brake Unit Assembly and Accelerator Pedal Sensor. Major customers include: Hitachi Astemo, Denso, Mitsubishi Electric etc.

SHRIRAM®

SHRIRAM PISTONS & RINGS LTD.



PIONEERING SUSTAINABLE TECHNOLOGY
FOR A SELF-RELIANT INDIA

For over 50 years, SPRL has been a trusted leader in technology, drawing on its exceptional lineage of the Shriram Group. As a frontrunner in sustainable business practices, we are constantly innovating and expanding our horizon. Our success is driven by a key principle: Developing indigenous R&D, Manufacturing & Sourcing. This commitment to LOCAL is not just good business, it's the foundation for a self-reliant India; a core pillar of the Atma Nirbhar Bharat vision.

COMPANIES IN GROUP

SHRIRAM PISTONS & RINGS LTD.

Shriram Pistons & Rings Ltd. is one of India's most recognized Auto component manufacturing company.

SPRL has the capability to provide end to end solution to it's customers which includes design, Develop, Validate & Manufacture products for its customers.

SPR Takahata Precision India Pvt. Ltd.

SPR Takahata Precision India Pvt. Ltd. is a leading precision engineering company engaged in the manufacturing of Precision Moulded/ Assembled parts and Precision metal moulds.

SPR EMF Innovations Pvt. Ltd.

SPR EMF Innovations Pvt. Ltd. is a young Technology company specializing in Electric Motors & Controllers ranging from 250W ~ 300KW with substantial R&D & Manufacturing operations in Tamilnadu & Singapore.

SPR Engenious Limited

SPR engenious Ltd. is the wholly owned subsidiary of SPRL to spearhead diversification & Innovation, SEL is poised to drive future growth initiatives.

Contact:
Regd. Office: 3rd Floor, Himalaya House, 23 Kasturba Gandhi Marg, New Delhi 110 001 (India)
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For more details, Please visit Website | Scan for Facebook | Scan for LinkedIn

SHRIRAM®

SHRIRAM PISTONS & RINGS LTD.

Innovating | Expanding | Empowering

Mobility Solutions Sustainably

61ST ANNUAL REPORT
2024-25

F481

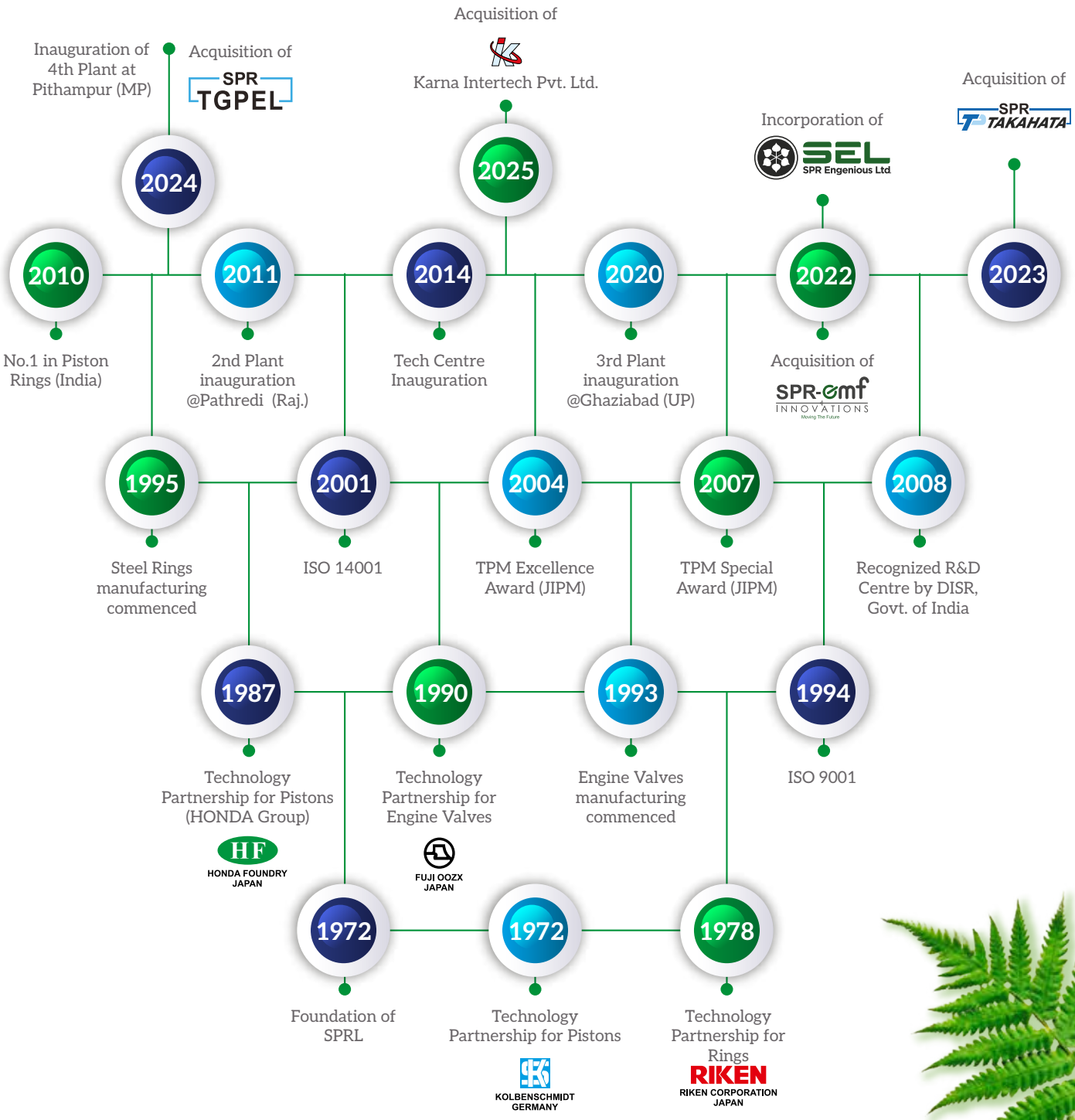
About SPRL

India's Largest Manufacturer of Pistons, Rings & EV

Strong global presence

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

Strong Technological capabilities



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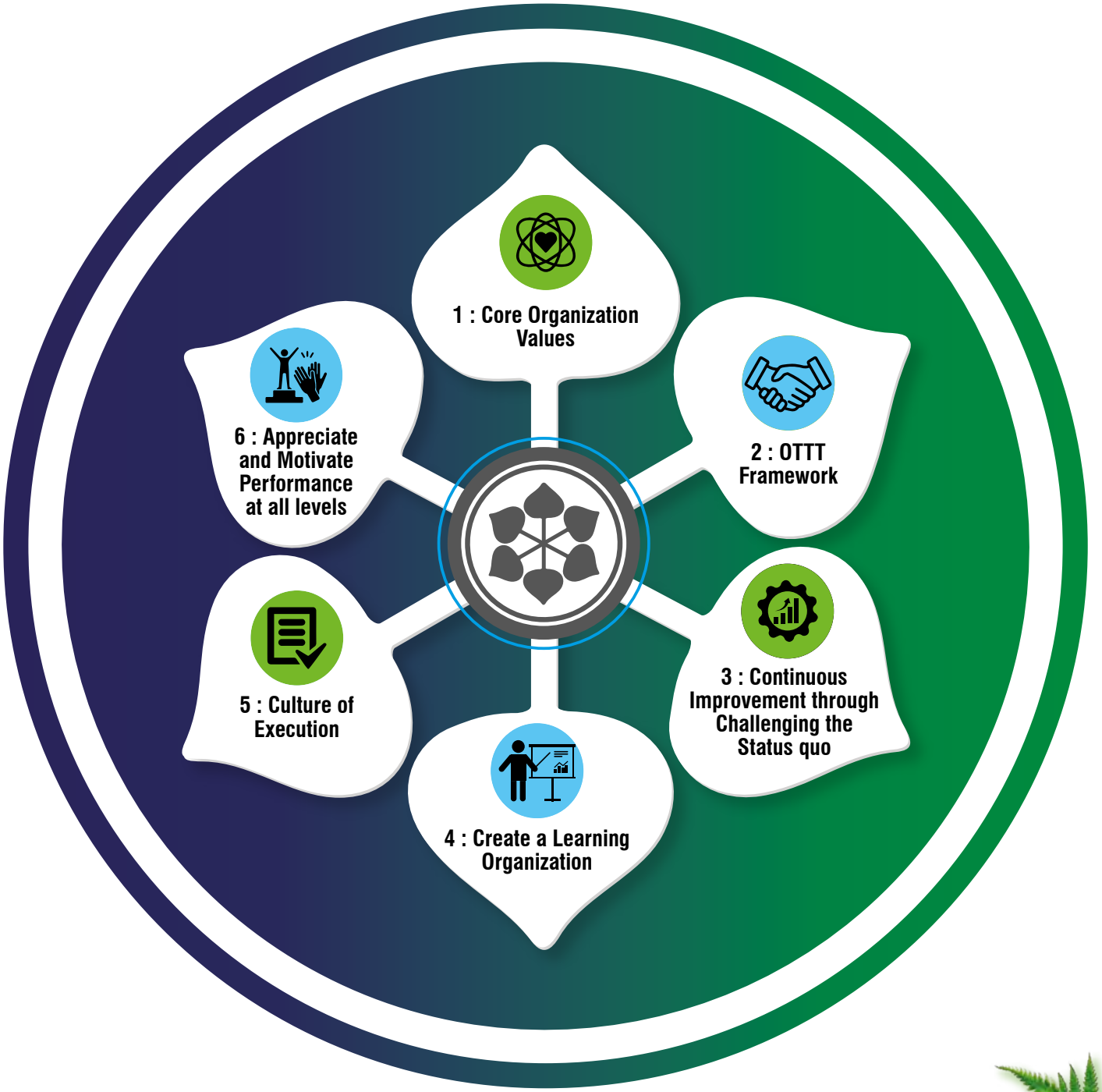
Vision & Mission

World Class Company, the preferred choice of Global Automotive Customers

Committed to all stakeholders

Environmentally sustainable

Culture at SPRL - 6P Principles



CORPORATE OVERVIEW

Board of Directors

Mr. Pradeep Dinodia	- Chairman
Mr. Hari Shanker Bhartia	- Independent Director
Ms. Ferida Chopra	- Independent Director
Ms. Tina Trikha	- Independent Director
Mr. Shinichi Unno	- Independent Director (ceased w.e.f. 7.5.2025)
Ms. Meenakshi Dass	- Director
Mr. Klaus Semke	- Director
Mr. Yasunori Maekawa	- Director
Mr. Luv Deepak Shriram	- Wholetime Director
Mr. Krishnakumar Srinivasan	- Managing Director & CEO
Mr. Shigeto Muno	- Alternate Director to Mr. Yasunori Maekawa
Mr. Alexandru Vladoi	- Alternate Director to Mr. Klaus Semke (ceased w.e.f. 31.3.2025)

Principal Executives

Mr. Luv Deepak Shriram	- Whole Time Director
Mr. Krishnakumar Srinivasan	- Managing Director & CEO
Mr. Prem Prakash Rathi	- Executive Director & CFO
Mr. Arun Kumar Shukla	- Executive Director - Projects
Mr. Sandeep Agrawal	- Executive Director & CMO
Mr. Rajnish Julka	- Executive Director - Ghaziabad Works
Mr. Sumantra Mukherjee	- Executive Director - Pathredi Works
Mr. Rajan Nanda	- Executive Director - Marketing
Ms. Poonam Bharti	- Executive Director & CHRO
Mr. Atul K. Khanapurkar	- Executive Director - Pathredi Works
Mr. Dharmendra Singh	- Dy. Executive Director - Ghaziabad Works
Mr. Ashok Sinha	- Dy. Executive Director - ISCM
Mr. Prashant Khairnar	- Dy. Executive Director & CDO
Mr. Pankaj Gupta	- Dy. Executive Director - Head Legal & Company Secretary
Mr. Pankaj Kumar Jain	- Chief Quality Control

Technical Collaborators

Kolbenschmidt Pistons Germany GmbH
Riken Corporation, Japan
Honda Foundry Co. Ltd., Japan
Fuji Oozx Inc., Japan

Bankers

HDFC Bank Ltd., IDBI Bank Ltd., Citibank N.A.,
State Bank of India, ICICI Bank Ltd., Axis Bank Ltd.,
The Hongkong and Shanghai Banking Corporation Limited,
DBS Bank India Ltd., Canara Bank

Statutory Auditors

Walker Chandiok & Co LLP,
Chartered Accountants

Registered Office

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

Works

Industrial Area, Meerut Road, Ghaziabad, U.P. - 201003
Industrial Area, Pathredi, District Alwar, Rajasthan - 301707
Industrial Area, Bulandshahr Road, Ghaziabad, U.P. - 201009

Subsidiaries

SPR Engenious Limited

Registered Office
3rd Floor, Himalaya House,
23, Kasturba Gandhi Marg,
New Delhi-110001
Works
Plot Nos. 26-29, Smart Industrial Park,
Pithampur, Dist. Dhar,
Madhya Pradesh-454774

Karna InterTech Private Limited

Registered Office
3rd Floor, Himalaya House,
23, Kasturba Gandhi Marg,
New Delhi-110001
Works
Plot No. 50, M.I.E., Part A, Bahadurgarh,
Jhajjar, Haryana-124507

SPR EMF Innovations Private Limited

Registered Office & Works
2/209 to 2/212 Shasti Building,
Rajiv Gandhi Nagar Mylampatti Village,
Neelambur, Coimbatore-641062

SPR Takahata Precision India Private Limited

Registered Office & Works
SP2-41 RIICO New Industrial Complex,
Phase -III, Neemrana, Alwar
Rajasthan-301705

SPR TGPEL Precision Engineering Limited

Registered Office
3rd Floor, Himalaya House,
23, Kasturba Gandhi Marg,
New Delhi-110001
Works
A-26/A-27, Sector-68, Noida,
Uttar Pradesh- 201307

Directors' Profile

Mr. Pradeep Dinodia

Chairman (Non-Executive, Non Independent Director)

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

Mr. Luv Deepak Shriram

Whole-Time Director

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

Ms. Meenakshi Dass

Non-Executive Director

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

Mr. Hari Shanker Bhartia

Independent Director

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

Directors' Profile

Ms. Ferida Avnish Chopra

Independent Director

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

Mr. Krishnakumar Srinivasan

Managing Director & CEO

Mr. Krishnakumar Srinivasan is an accomplished leader with over 38 years of experience primarily in the automotive industry. He graduated with a Bachelor's degree in Mechanical Engineering, Master's in Business Administration and PG Diploma in Export Management. He has long and varied experience of managing leadership roles with companies both in India and abroad. He is known for his visionary leadership style, combining a strategic mindset with hands on approach.

Ms. Tina Trikha

Independent Director

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

Mr. Shinichi Unno

Independent Director

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

Directors' Profile

Mr. Yasunori Maekawa

Non-Executive Director

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

Mr. Klaus Semke

Non-Executive Director

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

Mr. Shigeto Muno

Alternate Director to Mr. Yasunori Maekawa

Mr. Muno holds a Bachelor's degree in Business Administration from Tokyo Keizai University (1981) and an MBA from Loyola University Chicago (2000). He began his professional journey with Riken Corporation in 1994 and has since held various leadership roles. Since April 2024, he has been serving as Deputy Senior General Manager of the Sales Head Office. Mr. Muno has a long and varied experience and considerable exposure to international operations and general management.

Mr. Alexandru Vladoi

Alternate Director to Mr. Klaus Semke

Mr. Vladoi has been on the Board of the Company since November 2023 as alternate director to Mr. Klaus Semke. He has obtained Bachelors' Degree in Finance & Economics, Mathematics and Masters' Degree in International Management. Mr. Vladoi has a long & varied experience and considerable exposure to international operations and general management.

SPRL Group
Dynamic Management Team

Sitting L-R:

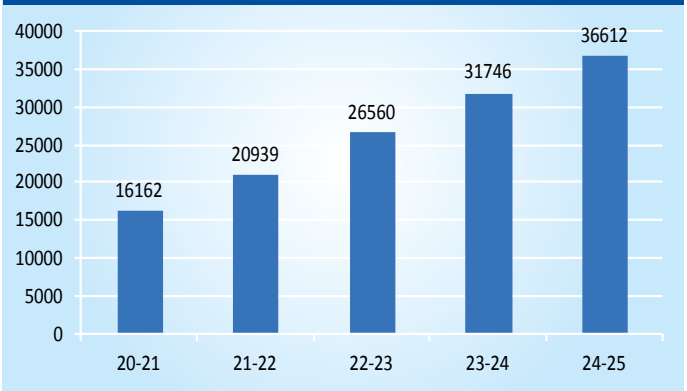
Sumantra Mukherjee, Poonam Bharti, Sandeep Agrawal, Krishnakumar Srinivasan, Rajnish Julka, Prem Prakash Rathi, Arun Shukla

Standing L-R:

Krishna M, Deepak Dimri, Atul K. Khanapurkar, Rajan Nanda, Ashok Sinha, Pankaj Kumar Jain, Dharmendra Singh, Kalyan Ghosh, Pankaj Gupta, Prashant Khairnar, Chandan Kumar

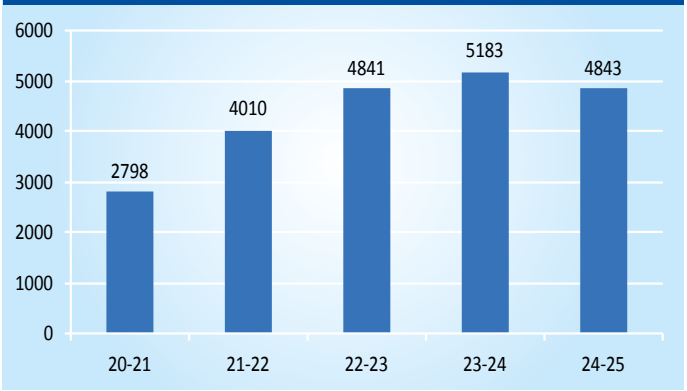
FINANCIAL HIGHLIGHTS

TOTAL INCOME (Mn/Rs.)

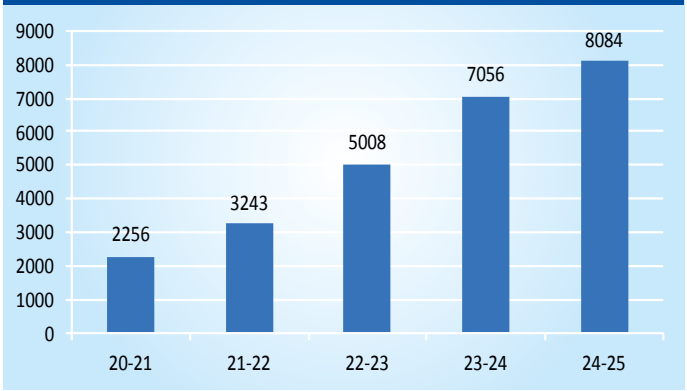


NET WORTH (Mn/Rs.)

EXPORTS (Mn/Rs.)



PBDT AFTER OCI (Mn/Rs.)



WORKING RESULTS AT A GLANCE

Ratio	Unit	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Current ratio	Times	2.48	2.43	2.51	2.31	2.10
Debt-Equity ratio	Times	0.19	0.23	0.19	0.11	0.11
Return on equity ratio	%	22.83	24.42	20.79	13.61	8.00
EBITDA ratio	%	23.89	23.90	19.77	16.49	14.96
Profit before tax (PBT) ratio	%	19.49	19.36	15.33	10.88	7.63
Profit after tax (net profit) ratio	%	14.74	14.42	11.46	8.08	5.65
Earning per Share (EPS)*	Rs. per share	115.02	100.47	66.71	37.13	19.84

Notes:

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

WORKING RESULTS AT A GLANCE

PARTICULARS		UNIT	YEAR ENDING MARCH									
			2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Paid-up Equity Share Capital		Mn/Rs.	**440**	440	220	220	224	224	224	224	224	224
Reserves & Surplus		Mn/Rs.	**24533**	19765	15504	12330	11258	10481	10041	8909	7720	6730
Net Worth		Mn/Rs.	**24973**	20206	15724	12550	11481	10705	10265	9133	7944	6954
Gross Fixed Assets		Mn/Rs.	**28248**	24265	21449	19878	19139	18673	16907	15355	14803	14159
Total Income - Value	**- Total**	Mn/Rs.	**36612**	31746	26560	20939	16162	16266	19785	17544	14886	14054
	- Export	Mn/Rs.	**4843**	5183	4841	4010	2798	2650	3257	2994	2823	2737
Profit before depreciation and taxes (PBDT) before OCI		Mn/Rs.	**8013**	6968	4877	3223	2225	1895	3036	3012	2608	2239
Profit before depreciation and taxes (PBDT) after OCI		Mn/Rs.	**8084**	7056	5008	3243	2256	1942	3063	3036	2523	2233
Profit before taxes (PBT) before OCI		Mn/Rs.	**6817**	5891	3930	2202	1200	864	2092	2108	1709	1311
Profit after tax (PAT) before OCI		Mn/Rs.	**5156**	4387	2939	1636	888	730	1384	1389	1181	916
Equity Dividend	- Amount	Mn/Rs.	**440**	440	330	220	134	162	270	270	189	108
	- Rate	%	**100.0**	100.0	150.0	100.0	60.0	60.0	100.0	100.0	70.0	40.0

Notes:

1. The above data is based on consolidated financials..
2. Gross Fixed Assets are stated at historical cost and include prepayment land leases.
3. Equity dividend represents dividend declared / proposed for the respective financial year and includes dividend distribution tax , as applicable.
4. Reserves & Surplus includes Revaluation Reserve of Rs. 97.24 Million as on 31.03.2025.

BOARDS' REPORT

To the Esteemed Members,

The Board of Directors ("Board") of Shriram Pistons & Rings Limited ("the Company") are pleased to present the 61st Annual Report on the business and operations along with the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended March 31, 2025.

The financial year 2024-25 has been a landmark period in the Company's history, marked by strategic expansions, technological advancements, and enhanced market leadership. The Company has successfully navigated a dynamic and evolving business landscape by leveraging its robust R&D capabilities, expanding into high-growth markets, and strengthening its core operations. The Company has significantly improved production efficiency and operational agility through prudent investments in cutting-edge manufacturing technologies, enhanced digitalization, and automation.

The Company's continued focus on sustainable business practices has led to increased adoption of renewable energy sources and innovative environmental initiatives. While continuing to enhance the Internal Combustion Engine (ICE) portfolio to cater to markets where combustion engine technologies remain relevant, the Company has also accelerated efforts to scale the Electric Vehicles ("EV") component solutions and position the Company as a future-ready EV mobility solutions provider.

Key milestones achieved during the year include successful acquisitions, a strong financial performance despite global economic volatility, geopolitical challenges, expansion into new product categories, and heightened investor confidence with the Company's listing on the BSE Ltd. (Bombay Stock Exchange) in addition to NSE. The continued focus on innovation, customer satisfaction, and operational excellence has reinforced the long-term vision for sustainable growth and value creation.

The financial year 2024-25, has been a milestone year, the Company outgrew the domestic automotive market, which grew by around 3.5%, whereas the Company achieved a growth rate of 7.0%.

This achievement was driven by a strategic emphasis on enhancing manufacturing capacity, surpassing customer expectations to secure a larger share of business, expanding into new markets, onboarding new customers, and diversifying the product portfolio.

While continuing to serve the Internal Combustion Engine (ICE) segment, the Company remains committed to investing in technology-agnostic areas beyond ICE, fostering a parallel and profitable business model aligned with evolving industry trends.

The Company successfully increased its global footprint by securing strategic partnerships and expanding manufacturing capabilities. New product launches in the electric vehicle (EV) and alternative fuel segments have positioned the Company ahead of industry trends. The Company's commitment to sustainability was further solidified through targeted investments in renewable energy, water conservation, and carbon neutrality projects.

Financial & Operational Performance and State of Company's Affairs

The Financial Year 2024-25 has been a remarkable year for the Company as the Company has delivered the highest-ever financial performance. The Company's excellent brand image as the leading manufacturer and exporter of its products in India, backed by cutting-edge technology and technological collaborations with global leaders, enabled the Company to achieve these feats.

The Company's total income increased by 8.2% from Rs. 30,351 Million in the previous year to Rs. 32,827 Million for the year and revenue from operations grew by 7.6% from Rs. 29,537 Million in the previous year to Rs. 31,795 Million for the year. Profit before Depreciation and Taxes (before Other Comprehensive Income), after all interest charges, grew by 10.0% from Rs. 6,862 Million in the previous year to Rs. 7,545 Million for the year.

The improved performance during the Financial Year 2024-25 was driven by a strategic combination of higher production volumes, expansion into new customer segments, enhanced digital integration across functions, and timely execution of operational excellence initiatives. The Company's proactive efforts in strengthening vendor relationships, optimizing working capital, accelerating automation projects, and leveraging data analytics for decision-making have collectively contributed to better efficiencies, improved cost structures, and superior customer service delivery.

The Company continues to pursue strategic initiatives under its Business Continuity and Growth Plan to maintain a competitive edge and outperform market growth. With strong financial fundamentals and operational resilience, the Company is actively exploring new growth avenues, investing in capacity expansion, product innovation, and digital transformation to strengthen its market leadership.

Financial Highlights

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

(Rs. in Million)

Particulars	Financial Year Ended			
	Standalone		Consolidated	
	31.3.2024	31.3.2025	31.3.2024	31.3.2025
Revenue from Operations	29,537	31,795	30,893	35,498
Other Income	813	1,032	853	1,114
Total Income	30,351	32,827	31,746	36,612
Profit/(Loss) before Interest, Depreciation & Tax (EBITDA)	7,114	7,793	7,273	8,357
Profit before Depreciation and Taxes (before OCI)	6,862	7,545	6,968	8,013
Depreciation	874	865	1,077	1,197
Profit Before Tax (before OCI)	5,989	6,680	5,891	6,817
Income Tax (including for earlier years)	1,521	1,702	1,505	1,661
Net Profit After Tax (before OCI)	4,468	4,978	4,387	5,156
Dividend including Dividend Distribution Tax (on a declared basis)	440	440	440	440
Amount transferred to General Reserve	4,204	4,585	3,955	4,672

Exports declined by 7.0%, from Rs. 5,182 Million to Rs. 4,840 Million, primarily due to ongoing geopolitical uncertainties impacting global trade flows. However, this period also marked a strategic pivot, as the Company focused on deepening engagements with existing customers, expanding its product portfolio, and laying the groundwork for entry into new markets and segments. These initiatives are expected to enhance the Company's long-term competitiveness and open up more robust and sustainable export opportunities in the future.

Key Business Developments

Strategic Acquisitions & Business Expansion

Acquisition of SPR TGPEL Precision Engineering Limited ("SPR TGPEL")

In pursuit of the long-term growth strategy beyond Internal Combustion Engine (ICE) powertrains, the Company acquired 100% stake in SPR TGPEL Precision Engineering Limited through its wholly owned subsidiary, SPR Engenious Limited (SEL). The acquisition is a part of the Company's long-term strategy to diversify and strengthen its product portfolio beyond internal combustion engine (ICE) powertrains.

Established in 2008, SPR TGPEL specializes in precision mould making and injection-moulded parts manufacturing, serving sectors such as automotive, electrical, consumer goods, and medical industries in both domestic and international markets. SPR TGPEL operates two state-of-the-art manufacturing facilities in Noida, Uttar Pradesh, and has demonstrated consistent year-on-year growth.

Benefits of the Acquisition:

- Enhanced Manufacturing Capabilities: Integrating SPR TGPEL's expertise in high-precision injection-moulded components enhances the Company's manufacturing capabilities, enabling the production of complex parts for various applications.
- Product Portfolio Diversification: The acquisition allows the Company to expand its offerings beyond traditional ICE components, positioning the Company to cater to emerging markets such as electric vehicles (EVs) and other industrial applications.
- Synergistic Opportunities: Combining the Company's manufacturing and engineering strengths with SPR TGPEL's technological capabilities is expected to create synergies, offering a broader range of products and services to the growing Indian automotive market.

This strategic move underscores the Company's commitment to innovation and adaptability in a rapidly evolving automotive landscape, ensuring long-term value creation for stakeholders.

Acquisition of Karna InterTech Private Limited ("Karna")

The Company acquired 100% equity stake in Karna InterTech Private Limited on April 1, 2025. Established in 1981, Karna specializes in manufacturing specialty molds and operates a well-equipped tool room in Bahadurgarh, Haryana, featuring advanced CNC machinery and CAD/CAM technology.

Benefits of the Acquisition

- Enhanced Manufacturing Capabilities: Integrating Karna's expertise in die-casting molds strengthens the Company's manufacturing capabilities, enabling the production of high-precision components essential for various applications.
- Supply Chain Optimization: This acquisition allows the Company to internalize critical aspects of its supply chain, reducing dependency on external suppliers and enhancing operational efficiency.

This strategic move aligns with the Company's commitment to innovation and adaptability, ensuring long-term value creation for stakeholders in a rapidly evolving industrial landscape.

The earlier acquisitions viz. SPR Takahata Precision India Private Limited is to strengthen the Company's diversification strategy by reinforcing its presence in precision-engineered plastic components and SPR EMF Innovations Private Limited is to expand its footprint in the fast-growing electric vehicle segment, particularly in motors & controllers.

Renewal of Technical Collaboration Agreements

The Company has executed a renewal of its Technical Collaboration Agreement with **Fuji Oozx Inc., Japan** for a further period of five (5) years effective till December 2029. The Technical Collaboration Agreement is in place since last three decades and is an ongoing collaboration to service the automotive industry with the latest technology products thereby meeting the prevalent emission norms and also provide cutting edge technology products in India which are at par with the latest technology available globally.

The Company has also executed a renewal of its Technical Collaboration Agreement with **Honda Foundry** for a further period of 7 years till September 30, 2031.

Investments, Market Expansion, and Technology Leadership

The Company remains steadfast in its commitment to strategic investments and global market expansion, positioning itself as a key player in the evolving automotive industry. The Company continues to invest ahead of the curve, identifying and capitalizing on emerging opportunities across international markets. However, macroeconomic uncertainties, geopolitical challenges, and supply chain disruptions remain critical factors impacting sales in the export market. Despite these headwinds, the Company has successfully strengthened its global footprint by leveraging its robust manufacturing capabilities, technological innovations, and customer-centric approach.

In the aftermarket segment, the Company has redefined its network strategy, ensuring an expanded range and reach of products across domestic and international markets. This has led to a deeper market penetration, enhanced customer engagement, and improved service efficiencies. By prioritizing quality excellence, backed by stringent validation processes and advanced manufacturing techniques, the Company has garnered strong appreciation from customers across OEMs, aftermarket distributors, and industrial segments.

Technology and Innovation – Driving Future Mobility

With a state-of-the-art Technology Centre, the Company has reinforced its self-sufficiency in end-to-end design, development, and testing. The Company has developed strong local engineering capabilities and leverages advanced analysis tools such as FMEA (Failure Mode and Effects Analysis) & PFMEA (Process Failure Mode and Effects Analysis) to drive innovation and ensure product reliability. The focus remains on future-ready technologies, including:

- Advanced CNG-compatible components, meeting stringent emission norms and ensuring durability in high-pressure environments;
- Hydrogen-based fuel solutions, including hydrogen internal combustion engines (H2-ICE) and hydrogen-enriched compressed natural gas (H-CNG);
- Ethanol-blended fuel solutions, aligning with the Indian government's ethanol roadmap for a cleaner, more sustainable fuel mix; and
- Electric vehicle (EV) components, strengthening the product portfolio to cater to next-generation mobility solutions.

Expanding Presence in the Electric Vehicle (EV) Ecosystem

The Company anticipates a continued rise in EV penetration, supported by ambitious government policies, incentives, and advancements in charging infrastructure. However, challenges persist in raw material sourcing, infrastructure development, and design customization to suit Indian road conditions. The Company views these challenges as opportunities to pioneer robust, India-centric EV solutions. Through ground-up product development, the Company has positioned itself as one of the few companies in this segment capable of delivering highly durable and efficient powertrain components tailored for diverse climatic and road conditions.

ICE and Alternative Fuels – Coexistence in the Future Mobility Landscape

Amidst the accelerating shift towards electric mobility, conventional Internal Combustion Engine (ICE) technologies continue to evolve with a strong emphasis on environmental sustainability. The Company is actively advancing alternative fuel technologies and hybrid solutions, reinforcing its belief that ICE and EV platforms will coexist to address the varied requirements of commercial, passenger, and industrial segments.

Key areas of focus include:

- Hybrid powertrains, which offer a transitional pathway between conventional ICE and full EV adoption by combining efficiency with flexibility;
- CNG and LNG-powered vehicles, providing cost-effective and cleaner alternatives particularly suited for commercial transportation;
- Hydrogen-powered vehicles (H2-ICE and H-CNG), contributing to long-term decarbonization goals and aligning with emerging global energy trends;
- Bio-fuel applications, supporting ethanol blending from 10% upto 100%, in line with national energy security and sustainability targets; and
- Flex-fuel technology, enabling engines to operate seamlessly across a wide spectrum of fuel blends, thereby enhancing adaptability and reducing carbon footprint.

The Company's proactive investments in these areas are aimed at future-proofing its technology roadmap. By diversifying its propulsion portfolio across conventional, hybrid, and alternative fuel platforms, the Company is well-positioned to support the industry's journey towards carbon neutrality. Through continuous innovation, strategic foresight, and responsible engineering, the Company remains committed to shaping the future of sustainable mobility while creating long-term value for all stakeholders.

Investor Engagement & Governance

The Company has consistently prioritized robust investor engagement and governance to ensure transparency, foster trust, and strengthen shareholder confidence.

During the financial year 2024-25, the Company conducted multiple earnings calls, providing a platform for investors and analysts to gain deeper insights into the financial performance, strategic initiatives, and growth trajectory. These calls allowed management to address investor queries, reinforce the commitment to sustainable value creation, and highlight operational advancements.

The Company also undertook significant steps to strengthen corporate governance, enhancing transparency, regulatory compliance, and ethical business practices. The governance framework aligns with global best practices, ensuring accountability and fairness in all decision-making processes.

Strategic Growth, Market Leadership & Operational Excellence

The Company has significantly outpaced the growth of its end markets, reflecting strong strategic execution and industry leadership. Despite macroeconomic uncertainties and inflationary headwinds, the Company successfully maintained its profitability margins. This was made possible by proactive cost optimization, prudent financial controls, and value-driven manufacturing practices, which enabled the Company to absorb inflation without compromising on quality or performance.

During the financial year 2024-25, the Company expanded its global and domestic market reach by entering new markets and securing key business wins from several global OEMs and Tier-1 customers. At the same time, focused initiatives to deepen engagement with existing domestic customers led to increased market share. The Company's differentiated product portfolio and commitment to quality have reinforced customer confidence and enabled it to become a preferred partner for high-value, strategic programs.

In line with its long-term growth strategy, the Company took decisive steps to phase out low-margin and non-strategic product lines, reallocating resources towards higher-margin, value-added offerings. This shift has helped enhance overall business profitability and sharpened the Company's competitive positioning.

To further strengthen its market leadership, the Company has actively pursued entry into newer market segments and geographies, with a focus on expanding its presence in high-growth regions and aligning with emerging industry trends. These efforts are unlocking new revenue streams and driving sustainable growth.

The Company also broadened its scope by exploring newer application areas, thereby enhancing the utility and longevity of its products - even in the context of increasing electric vehicle (EV) adoption. This foresight has enabled the Company to maintain technological relevance across mobility platforms. In parallel, robust operational efficiencies continued to be a core strength - ensuring all key performance indicators and internal benchmarks were consistently achieved or exceeded, thus reinforcing its operational excellence.

Sustainability & ESG Initiatives – A Commitment to Responsible Growth

The Company remains unwavering in its dedication to Environmental, Social, and Governance (ESG) principles, integrating sustainability into every aspect of its business strategy. The Company recognizes that long-term value creation is intrinsically linked to responsible business practices, and as such, continues to implement initiatives that drive environmental sustainability, social well-being, and governance excellence.

Environmental Stewardship – Advancing Towards a Greener Future

The Company is committed to minimizing its environmental footprint by adopting cleaner production methods, increasing the use of renewable energy, and enhancing energy efficiency across operations. Key environmental initiatives undertaken during the financial year include:

- Expansion of Renewable Energy Usage: The Company has significantly enhanced its reliance on solar energy, thereby reducing dependence on conventional power sources. It has made substantial investments in captive solar projects and has also installed rooftop solar panels across multiple facilities to further advance its renewable energy footprint.
- Reduction in Scope 2 Emissions: By optimizing energy consumption, improving efficiency in manufacturing processes, and investing in renewable energy, the Company has significantly reduced its reliance on grid electricity. This shift has contributed to a substantial reduction in Scope 2 emissions, aligning with global sustainability targets.
- Water Conservation & Waste Management: The Company continues to implement water recycling initiatives, aiming to reduce its dependency on freshwater sources and has installed advanced effluent treatment plants (ETPs) and sewage treatment plants (STPs), ensuring zero liquid discharge (ZLD). Waste management efforts have been strengthened through increased use of recycled materials and the adoption of sustainable packaging solutions.
- Green Supply Chain Practices: The Company is working towards a sustainable supply chain, collaborating with vendors to implement eco-friendly sourcing and logistics practices. Through sustainable procurement policy the Company encourage suppliers to adopt environmentally responsible manufacturing.

Social Responsibility – Strengthening Communities through CSR

As a socially responsible corporate entity, the Company continues to drive positive change in communities through structured Corporate Social Responsibility (CSR) initiatives. The Company's CSR programs focus on:

- Education & Skill Development: The Company has expanded its skill development programs to empower youth with industry-relevant training and continues to support vocational training centers, providing employment opportunities to underprivileged communities.
- Healthcare & Wellness: Programs have been strengthened through medical camps, and partnerships with healthcare institutions. Alongside Mental health awareness programs, external counseling services, and stress management initiatives have been implemented to foster a healthier work environment.
- Women Empowerment & Inclusion: The Company remains deeply committed to empowering women and promoting inclusive growth in the communities it serves. As part of this commitment, the Company has partnered with the Entrepreneurship Development Institute of India (EDII), Ahmedabad, to support the formation of self-entrepreneur groups by training women and enabling them to become financially independent and self-reliant. The Company essential life skills that foster self-worth and create sustainable livelihood opportunities for women and also prioritizes safety and digital empowerment by organizing self-defence training and computer literacy programs, equipping women with the confidence and skills needed to shape their own future.
- Community Development Initiatives: The Company continues to invest in local infrastructure development, including sanitation and clean drinking water facilities in surrounding communities.

- Cultural Development Initiatives: The Company supports cultural enrichment through initiatives that preserve and promote local heritage, arts, and traditions. Efforts include organizing cultural events, supporting local artisans, and facilitating employee participation in regional festivals to strengthen community ties and promote cultural awareness.

Governance Excellence – Transparency, Compliance & Ethical Leadership

The Company's corporate governance framework is built on transparency, integrity, and accountability. The Company continues to implement best-in-class governance practices, ensuring compliance with regulatory requirements and stakeholder expectations.

- Robust Governance Structure: The Board of Directors is actively engaged in strategic decision-making, reinforcing corporate governance and ethical leadership. The Committees have been established to identify and mitigate financial, operational, and environmental risks proactively.
- Enhanced Compliance & Reporting: The Company has adopted SEBI-mandated Business Responsibility and Sustainability Reporting (BRSR), demonstrating its commitment to ESG disclosures and sustainability progress tracking. Comprehensive ESG metrics are regularly reported to ensure transparency and accountability.
- Data Security & Cybersecurity Measures: The Company has enhanced its data security infrastructure, ensuring robust cybersecurity frameworks and compliance with global data protection regulations.

Awards & Accolades

The Company continues to perform strongly across all dimensions of its operations, consistently earning recognition from leading industry bodies and OEMs. During the year the Company has received multiple prestigious awards in areas such as manufacturing excellence, ESG performance, safety, quality, and innovation. Notably, Pathredi and Ghaziabad plants were honored with Platinum and Gold Awards across categories like manufacturing, exports, and new product design & development. The Company has also been recognized for its supplier performance by major customers such as Mahindra & Mahindra, Cummins, Maruti Suzuki, and Honda. Our commitment to quality and continuous improvement has been acknowledged through accolades from CII, ACMA, QCFI, and INSSAN. These recognitions reflect the dedication of our teams and reinforce our position as a trusted, high-performing partner in the automotive industry.

Share Capital

Changes in Share Capital

During the year under review, there was no change in the authorized, issued, subscribed or paid up share capital of the Company.

Issue of equity shares with differential rights or sweat equity shares

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

Dividend

Declaration and Payment of Dividend

The Board in its meeting held on May 7, 2025, has recommended that equity shareholders be paid a dividend @ Rs. 10.00 per share of face value of Rs. 10/- each fully paid-up, for the financial year 2024-25, inclusive of Rs. 5.00 per share already paid as interim dividend.

Record Date

The final dividend of Rs. 5.00 per share, if approved by the Members at the ensuing Annual General Meeting ('AGM') will be paid to those Members whose name appears in the register of Members (including Beneficial Owners) of the Company as at the end of Friday, July 25, 2025 (Record Date). The equity dividend would absorb Rs. 440 Million against Rs. 440 Million last year and an amount of Rs. 4,585 Million be transferred to General Reserve Account.

The Board has recommended the dividend based on the parameters laid down in the Dividend Distribution Policy and the dividend will be paid out of the profits of the FY 2024-25.

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

Dividend Distribution Policy

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 **("SEBI Listing Regulations, 2015"**) the Board of Directors of the Company had formulated and adopted the

Dividend Distribution Policy ("DD Policy"). The same is available on the Company's website at https://shrirampistons.com/wp-content/uploads/2024/06/Dividend-Distribution-Policy.pdf

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

Change in the Nature of Business

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

Material Changes and Commitment

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2024-25 and the date of this Report.

Credit Rating

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

Name Change of Subsidiaries

During the year under review, the Board of TGPEL Precision Engineering Limited in it's meeting held in February 2025 approved changing the name of the company to incorporate the word "SPR" as a prefix in it's name. After approval by the shareholders and the Registrar of Companies (ROC), the names stand changed to "SPR TGPEL Precision Engineering Limited" effective from April 3, 2025.

Listing of Equity Shares on the BSE Ltd. (Bombay Stock Exchange), in addition to NSE

During the year, the Company listed its equity shares on the BSE Ltd. (Bombay Stock Exchange), a significant milestone that enhances the Company's market visibility and investor confidence. This listing provides the Company with broader access to institutional and retail investors, thereby improving liquidity and increasing shareholder value. The move also strengthens corporate governance standards, ensuring greater transparency and compliance with regulatory frameworks. With the Company's presence on both NSE and BSE, the Company aims to attract a wider investor base, fostering long-term growth and stability.

Highlights of performance of Subsidiaries, Associates and Joint Venture Companies

Subsidiary Companies and their Annual Accounts

As on date of this report the Company has 5 subsidiaries including 3 step down subsidiaries and regularly monitors the performance of these companies. The annual accounts of subsidiary companies are available on the website of the Company viz. https://shrirampistons.com/investors-guide/ and shall also be kept open for inspection at the registered office of the Company. The Company shall also make available the annual accounts of these companies to any member of the Company who may be interested in obtaining the same. The consolidated financial statements presented by the Company include the financial results of its subsidiary companies. In compliance with the provision of Section 129(3) of the Companies Act, 2013, ("Act"), a separate statement containing the salient features of financial statements of the subsidiary Company is in the prescribed Form AOC-1.

The Company's subsidiaries played a pivotal role in driving the overall revenue growth and performance of the Company and reported a consolidated total income of Rs. 36,612 Million in the current year as compared to Rs. 31,746 Million in the previous year, registering an increase of 15.3%. Its consolidated net profit after tax (before OCI) is Rs. 5,156 Million as compared to Rs. 4,387 Million in the previous year, registering an increase of 18.0%.

i. SPR Engenious Limited ("SEL") – wholly owned subsidiary

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

During the year under review, SEL has increased its Authorised Capital from Rs. 3,550 Million to Rs. 6,050 Million and issued 250 Million equity shares of Rs. 10/- each amounting to Rs. 2,500 Million to its Holding Company, Shriram Pistons & Rings Limited, on rights issue basis, from time to time. The issued, paid-up and subscribed equity share capital of SEL is Rs. 6,000 Million as of the date of this report. SEL has reported revenue from operations of Rs. 176.83 Million and a net loss (before other comprehensive income) of Rs. 56.55 Million.

SEL is a 'material' subsidiary of the Company under Regulation 16(1)(c) and 24(1) of SEBI Listing Regulations, 2015.

ii. SPR EMF Innovations Private Limited ("SPR EMFI") – step down subsidiary

SPR EMFI has evolved into a top provider of EV powertrain solutions, fueled by innovation, localization, and strategic partnerships. SPR EMFI has created an advanced R&D facility for in-house motor and controller design, prototyping, and testing, which has greatly decreased reliance on outside technology. Partnerships with global EV technology leaders like Greatland Electric and Lingbo have accelerated SPR EMFI's product development and commercial readiness. Furthermore, SPR EMFI has initiated local production of both hub motors and controllers in India, in line with the 'Make in India' initiatives.

SPR EMFI has enhanced its manufacturing capabilities with specialised assembly lines and is in the process of commissioning a state-of-the-art motor test bench to maintain quality and performance under real-world conditions. Positioned strategically as a system supplier offering integrated motor-controller packages, SPR EMFI is amplifying its collaboration with key OEMs. With a new manufacturing facility being commissioned in Coimbatore and a defined technology roadmap, SPR EMFI is setting new standards in India's electric mobility landscape. It is among the few first companies to secure ICAT certification for its PM E-Drive, an affirmation of its technological leadership and commitment to regulatory excellence.

The Company through its wholly owned subsidiary SEL has a stake of 66.42%, in SPR EMFI. Accordingly, SPR EMFI continued to be a subsidiary of SEL and a step-down subsidiary of the Company.

During the year under review, SPR EMFI has reported revenue from opeations of Rs. 204.20 Million and a net loss (before other comprehensive income) of Rs. 36.98 Million. The issued, paid-up and subscribed equity share capital is Rs. 175.17 Million as on the date of this report.

iii. SPR Takahata Precision India Private Limited ("SPR Takahata") - step down subsidiary

SPR Takahata stands as a premier manufacturer of high-precision injection-moulded components, backed by strong technical collaboration with Takahata Japan. With a core focus on sectors such as automotive, office automation, optical devices, residential facilities, and medical equipment, SPR Takahata offers an extensive product portfolio including hose systems, throttle units, ECU and brake units, airbags, steering systems, door locks, headlamp actuators, accelerator pedals, and EV battery systems. Operating from its advanced manufacturing facility in Neemrana, Rajasthan, SPR Takahata ensures end-to-end in-house capabilities encompassing mould development, design, manufacturing, trial runs, maintenance, and quality control. Trusted by leading automotive OEMs, SPR Takahata upholds the highest standards of quality and innovation.

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

During the year under review, SPR Takahata has reported revenue from operations of 2951.58 Million and a net profit (before other comprehensive income) of Rs. 359.54 Million. The issued, paid-up and subscribed equity share capital is Rs. 1835 Million as on the date of this report.

iv. SPR TGPEL Precision Engineering Limited ("SPR TGPEL") - step down subsidiary

The Company, through its wholly owned subsidiary SEL, on 24.12.2024, acquired a 100% stake in SPR TGPEL. Accordingly, SPR TGPEL became a wholly-owned subsidiary of SEL and a step-down subsidiary of the Company.

During the year, SPR TGPEL has reported revenue from operations of 1292.53 Million and a net profit of Rs. 161.59 Million. The issued, paid-up and subscribed equity share capital is Rs. 395.81 Million as on date of this report.

v. Karna InterTech Private Limited ("Karna")

The Company on April 1, 2025 acquired 100% stake in Karna. Accordingly, Karna became a wholly-owned subsidiary of the Company. The issued, paid-up and subscribed equity share capital is Rs. 1.50 Million as on date of this report.

During the year under review, no Company ceased to be a subsidiary of the Company. The Company does not have any joint ventures or associate companies.

Consolidated Financial Statement

The consolidated financial statements of the Company and its subsidiaries for FY 2024-25 have been prepared in compliance with the applicable provisions of the Companies Act, 2013 ('the Act') and as stipulated under Regulation 33 of SEBI Listing Regulations, 2015 as well as in accordance with the Indian Accounting Standards (Ind AS-110) on consolidated financial statements notified under the Companies (Indian Accounting Standards) Rules, 2015. The audited consolidated financial statements together with the Independent Auditor's Report thereon form part of this Annual Report.

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

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

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

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

Number of Meetings of the Board

During the financial year under review, six (6) meetings of the Board of Directors were held, details of which have been provided in the Corporate Governance Report which forms part of this Annual Report as **Annexure-I**. The intervening gap between two meetings did not exceed 120 days, as prescribed under the Companies Act, 2013 and SEBI Listing Regulations, 2015. The Company has complied with Secretarial Standards on the meeting of Board of Directors

Committees of the Board

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

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

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

Audit Committee

As of 31.3.2025, members of the Audit Committee of the Company are Ms. Tina Trikha (Chairperson), Mr. Pradeep Dinodia and Ms. Ferida Chopra.

Mr. Inderdeep Singh, Non-Executive Independent Director of the Company ceased to be the Director of the Company w.e.f. close of business hours of 28.7.2024 due to the completion of his tenure. Consequently, he also ceased to be Chairman of the Audit Committee. Ms. Tina Trikha was appointed as Non-Executive Independent Director w.e.f. 13.5.2024 and became Chairperson of the Audit Committee w.e.f. 29.7.2024.

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

Whistle Blower Policy

The Company has a Whistle Blower Policy for Directors Employees, and Stakeholders to report any kind of misuse of the Company's properties, mismanagement, or wrongful conduct prevailing/executed in the Company. As per the policy, all Whistle Blowers are granted access to the Chairman of the Audit Committee in appropriate cases. A designated team conducts impartial investigations into reported issues, upholding the highest standards of ethics and confidentiality.

Nomination and Remuneration Policy

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

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

There was no change in the Policy during the year.

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

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

The salient features of the Nomination and Remuneration Policy are as under:

i The policy outlines a transparent process for the appointment and removal of Directors, Key Managerial Personnel (KMP), and Senior Management Personnel (SMP), based on integrity, expertise, experience, and performance, while promoting Board diversity and compliance with statutory requirements.

ii The Nomination & Remuneration Committee (NRC) is responsible for recommending appointments, removals, and remuneration structures, ensuring alignment with the company's strategic goals and regulatory frameworks.

iii Remuneration across all levels - Board, KMPs, SMPs, and employees is designed to be fair, competitive, and aligned with industry standards. It balances fixed pay with performance-linked incentives to attract, retain, and motivate talent.

iv The policy strictly adheres to the Companies Act, 2013 and other applicable laws, especially for the appointment and remuneration of Independent and Executive Directors.

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

As of 31.3.2025, the number of permanent employees on the rolls of the Company is 3,857.

Performance Evaluation of the Board, Its Committees, and Individual Directors

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

Related Party Transactions

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

The Company has complied with the Accounting Standards, Companies Act, 2013 and SEBI Listing Regulations, 2015, on Related Party Transactions.

Corporate Governance Report

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

Management Discussion and Analysis

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

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

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

Particulars of Employees and Remuneration

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

Auditors

Statutory Auditors and Auditors Report

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

The Auditors' Report for FY 2024-25 is unmodified that is it does not contain any qualification, reservation, adverse remark or disclaimer.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Act and the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors appointed Mr. Chetan Gupta, Practicing Company Secretary, (M. No. FCS 6496 and CP No. 7077), Managing Partner of M/s APAC & Associates LLP (Registration No. AAF-7948), having its Regd. Office at 604-605, PP City Centre, Road No. 44, Pitampura, New Delhi - 110 034 to conduct the Secretarial Audit of the Company for the year ended March 31, 2025. The Report of the Secretarial Audit is annexed as **Annexure – VI.** The said Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Further in compliance with the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amended Regulation 24A of the SEBI Listing Regulations, the Board has based on the recommendation of Audit Committee approved appointment of M/s APAC & Associates LLP (Registration No. AAF-7948), a peer reviewed firm of Company Secretaries in Practice as Secretarial Auditors of the Company for a period of five years, i.e., the Financial Year 2025-26 to 2029-30, subject to approval of the Shareholders of the Company at the ensuing AGM.

Secretarial Audit Report of Material Unlisted Subsidiary

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

Maintenance of Cost Records and Cost Audit

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

The Company is maintaining the Cost Records as required under Section 148(1) of the Act. The Cost Audit Report of the Company for the year ended March 31, 2024, duly audited by M/s Chandra Wadhwa & Co., Cost Accountants, New Delhi, was submitted to the Ministry of Corporate Affairs, Government of India on 16.8.2024, within the due date of filing the said report.

On the recommendation of the Audit Committee, M/s Chandra Wadhwa & Co., Cost Accountants, New Delhi (Firm Registration No. 00239), has been appointed as Cost Auditors for the FY 2025-26. The remuneration payable to the Cost Auditor is subject to ratification of their remuneration by the Members at this AGM.

Internal Financial Controls and their Adequacy

The Company has robust Internal Financial Control ("IFC") systems in line with the requirements of the Companies Act 2013. This system enhances transparency and accountability in the organisation's process of designing and implementing internal controls. The Company has a clearly defined Governance, Risk & Compliance framework, Policies, Standard Operating Processes (SOPs), and Financial & Operating Delegation of Authority (DoA). Global ERP platform facilitated mapping with role-based authority to business & functional teams.

The IFC process helps the Company to operate in an orderly and effective manner by ensuring adherence to rules, asset protection, fraud prevention, error detection, etc. Accurate and comprehensive accounting records are timely prepared for trustworthy financial information. This system safeguards the interest of all stakeholders and optimise resource utilization.

The Company had appointed Ernst & Young and RSM Astute as its Internal Auditors for FY 2024-25, in addition to its in-house team. The Internal Control System is commensurate with the size, scale and complexity of the Company's operations. The Internal Auditors report to the Chairman of the Audit Committee.

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

Annual Return

Pursuant to Section 134(3)(a), the Annual Return for FY 2024-25 is uploaded on the website of the Company and the same is available on https://shrirampistons.com/investors-guide-2/ under "Annual Return" tab.

Reports Forming Part of Boards' Report

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

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

Business Responsibility and Sustainability Report ("BRSR")

In terms of Regulation 34 of SEBI Listing Regulations, 2015, the Business Responsibility & Sustainability Report, for the financial year ended March 31, 2025, describing the initiatives taken by the Company from an environmental, social and governance perspective, forms part of this Annual Report.

Being proactive, the Company released its 3rd Business Responsibility and Sustainability Report (BRSR) under the nine principles of 'National Guidelines on Responsible Business Conduct' (NGRBC) and SEBI Guidelines, which outlines its sustainability performance. This is backed by the solid foundation of the integral values. The Company undertakes multiple initiatives to minimize its environmental footprint and give back to society.

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

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

The Company has achieved significant progress across key environmental, social, and governance (ESG) priorities. We have increased our renewable energy mix by 68%, reduced Scope 1 & 2 GHG emission intensity by 11%, and sourced 17% of input materials sustainably. Furthermore, we've reduced water withdrawal in stressed regions by 1,005 kL. Through investments in state-of-the-art Effluent and Sewage Treatment Plants (ETPs/STPs), most of our manufacturing units now achieve near-zero liquid discharge, with several already attaining certified Zero Liquid Discharge (ZLD) status – demonstrating our commitment to operational excellence and environmental stewardship.

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

Disclosures on the Company's Website

The Company is committed to good corporate governance practices and corporate social responsibility. In line with the Company's principles/commitment, the following policies/programs/reports are in place and are available on the Company's website under the link "Investors' Guide" at https://shrirampistons.com/investors-guide-2/.

- Corporate Social Responsibility (CSR) Policy
- Vigil Mechanism/ Whistle Blower Policy
- Policy on Related Party Transactions
- Nomination and Remuneration Policy
- Familiarization Programmes for Independent Directors
- Policy for Distribution of Dividend
- Policy for determination of materiality of events or information

- Policy for determining Material Subsidiaries
- Annual Return of the Company FY 2024-25
- Environment Protection Policy
- Environment Social and Governance Policy
- Equal Opportunity for Work and Pay Policy
- Equal Opportunity Policy
- Human Rights Policy
- Sustainable Procurement Policy
- Sustainable Supply Chain Policy
- Archival Policy for disclosures of Events/Information to Stock Exchange
- Policy on Preservation of Documents
- Code of Practices & Procedures for Fair Disclosure of UPSI
- Code of Conduct for Regulating, Monitoring and Reporting of Trades by Directors, Designated Persons under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and external agencies, including audit of internal controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2024-25.

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that: -

1. in the preparation of the annual accounts, the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and requirements of the Companies Act have been followed and there are no material departures from the same;
2. appropriate accounting policies have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as of March 31, 2025 and the profit of the Company for the said period;
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the annual accounts have been prepared on a going concern basis;
5. internal financial controls are followed by the Company and such internal financial controls are adequate and operating effectively;
6. proper and adequate systems have been devised to ensure compliance with provisions of all applicable laws and such systems are adequate and operating effectively.

Other Disclosures:

1. There were no instances of any fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.
2. No orders were passed by the Regulator(s), Court(s) or Tribunal(s) that could impact the going concern status and the Company's operations in the future.
3. There are no disqualifications, reservations, adverse remarks or disclaimers in the Statutory Auditors' and Secretarial Auditors' Report.
4. No Director of the Company is receiving commission from the Subsidiaries of the Company.
5. Voting rights which are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under section 67(3)(c) of the Companies Act, 2013).

6. Particulars of Loans, Guarantees or Investments: As per Section 186, the details of loans, guarantees and investments made during FY 2024-25 are given below:-

(Rs. in Million)

Name of Companies	Nature of Transaction	Loans	Investment
SPR Engenious Limited (SEL)	Equity Infusion	-	2,500

7. The Company has complied with applicable Secretarial Standards on Board Meetings and General Meetings.

8. During the year under review, there being no transactions/event/ occasion with respect to following items and no disclosure or reporting is required in respect of the same :

   i) Issue of equity shares with differential rights as to dividend, voting or otherwise;

   ii) Issue of debentures, bonds or any other convertible or non-convertible securities;

   iii) Issue of warrants;

   iv) Failure to implement any corporate action;

   v) Buy-back of shares under Section 67(3) of the Act;

   vi) Details of revision of the financial statement or the Report;

   vii) Amounts received from the director or relative of the director.

   viii) Deviation or variation in connection with certain terms of a public issue, rights issue, preferential issue, etc.

   ix) Company's securities were not suspended for trading during the year.

   x) Issue of Shares (including Sweat Equity Shares) to employees of the Company under any Scheme

9. No application has been made or proceeding is pending against the Company under the Insolvency and Bankruptcy Code (IBC), 2016.

10. During the FY 2024-25, an interest-free advance for purchase of residential accommodation to Mr. Krishnakumar Srinivasan, MD & CEO, repayable in five equal yearly instalments in terms of the scheme of interest free advance upto Rs. 150 million approved in the shareholders' meeting dated 24 July 2024, in accordance with the provisions of Section 185 and other applicable provisions of Companies Act, 2013.

11. Disclosure w.r.t. difference between the amounts of the valuation executed at the time of one-time settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with reasons thereof, is not applicable.

12. As per the provisions of the Act and in compliance with Regulation 25(10) of the SEBI Listing Regulations, 2015, the Company has taken a Directors and Officers Liability Insurance (D&O Insurance) on behalf of all Directors including Independent Directors, Officers, Managers and Employees of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty concerning the Company.

Fixed Deposits

The Company has neither renewed nor accepted any fixed deposits during the year. Furhter, no fixed deposits remain unclaimed or unpaid at the end of the year.

Throughout the year, there were no defaults in the repayment of deposits or interest. The fixed deposits previously accepted by the Company continue to comply with the provisions of Chapter V of the Companies Act, 2013.

Investor Education and Protection Fund

The amount lying in unpaid dividend accounts for the last seven years is Rs. 1.21 Million. The unclaimed final dividend amount of FY 2017-18 is due to be transferred to the Investor Education and Protection Fund on 14.8.2025. The amount transferred to the Investor Education and Protection Fund during the year is Rs. 0.10 Million.

Disclosures with respect to shares lying in IEPF Account:

S. No.	Particulars	No. of Shareholders	No. of Shares
1	The aggregate number of Shareholders and the outstanding shares in the IEPF Authority account lying at the beginning of the year	20	34,940
2	Number of Shareholders who approached the Company for the transfer of shares from the IEPF Authority account during the year	NIL	NIL
3	Number of Shareholders to whom shares were transferred from the IEPF Authority account during the year	NIL	NIL
4	Number of Shareholders whose shares were transferred to the IEPF Authority account during the year	16	1,579
5	The aggregate number of Shareholders and the outstanding shares in the IEPF Authority account lying at the end of the year	36	36,519
Note: The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.			

Disclosures w.r.t. Shares lying in suspense account:

During the financial year 2023-24, the Company issued 2,20,24,912 number of bonus shares in the ratio of 1:1 to the shareholders of the Company in compliance with the provisions of the Companies Act, 2013 and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

For shareholders whose shares were held in physical form, their shares were transferred to a Suspense Account in compliance of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Consequently, 3,853 equity shares are currently in the Suspense Demat Account of the Company.

Details of CSR Activities Undertaken by the Company

Against the requirement of Rs. 81.07 Million during the year, the Company has spent Rs. 72.21 Million on various CSR activities and an amount of Rs. 8.86 Million has been transferred to Unspent CSR Account 2024-25 which would be incurred in the following years, as per the provisions of the Companies Act, 2013. The Board has considered the Impact Assessment Reports at its meeting held on May 7, 2025. Details of initiatives taken by the Company during the year in CSR activities, composition of the CSR Committee along with the Executive Summary for Impact Assessment Reports are provided in the Report on CSR Activities undertaken by the Company in 2024-25, **Annexure-V** to this Report.

Risk Management Framework

The Board of the Company has constituted a Risk Management Committee to frame, implement, monitor, review the Risk Management plan and to ensure its effectiveness. As of 31.3.2025, the Members of the Committee are Mr. Pradeep Dinodia (Chairman), Ms. Tina Trikha, Ms. Meenakshi Dass, Mr. Luv Deepak Shriram and Mr. Krishnakumar Srinivasan.

Mr. Inderdeep Singh, Non-Executive Independent Director ceased to be the Director of the Company w.e.f close of business hours of 23.7.2024 due to the completion of his tenure. Consequently, he also ceased to be the Member of the Risk Management Committee. Ms. Tina Trikha was appointed as Non-executive Independent Director w.e.f 13.5.2024 and became Memebr of the Risk Management Committee w.e.f 29.7.2024.

In view of the change in industry dynamics and evolving complexity, the Company developed and implemented a Risk Management Policy including the identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

Through the Enterprise Risk Management Program, the Company addresses its short-term, medium-term and long-terms risks. Risk Management Committee reviews the risk(s) along with mitigation measures from time to time.

Disclosure under sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act)

The Company has zero tolerance for sexual harassment at the workplace and has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. The Internal Complaints Committee (ICC) is in place for all works and offices of the Company to redress complaints received regarding sexual harassment. No complaint was received/ pending under the above POSH Act during the year.

In order to ensure uniform understanding and wider coverage, awareness sessions are being organized for employees across the organization.

Secretarial Standards

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India, and that such systems are adequate and operating effectively.

Changes in Directors/ KMPs during the year and Appointment/ Re-Appointment of Directors In the ensuing AGM

The changes are as under:

i) Mr. Luv Deepak Shriram (DIN: 00051065) was re-appointed as a Whole-time Director of the Company for a period of five (5) years, effective from 5.5.2024 to 4.5.2029, as approved by the members by means of Postal Ballot on 8.5.2024.

ii) Ms. Tina Trikha (DIN: 02778940) was appointed as Non-Executive Independent Director of the Company for five (5) years, w.e.f. 13.5.2024 up to 12.5.2029.

iii) Mr. Yasunori Maekawa (DIN: 06952173) was appointed as a Non-Executive, Non-Independent Director of the Company with effect from 13.5.2024.

iv) Mr. Shigeto Muno (DIN: 10666395) has been appointed as Alternate Director to Mr. Yasunori Maekawa w.e.f. 12.6.2024.

v) Ms. Meenakshi Dass (DIN: 00524865), who retired by rotation, was re-appointed as Non-Executive Director in the AGM held on 24.7.2024.

vi) Mr. Pradeep Dinodia (DIN: 00027995), who retired by rotation, was re-appointed as Non-Executive Director in the AGM held on 24.7.2024.

vii) Mr. Inderdeep Singh (DIN: 00173538) ceased to be the Non-Executive Independent Director of the Company w.e.f. close of business hours of 28.7.2024 due to completion of his tenure.

viii) Mr. Shinichi Unno (DIN: 09189521) was re-appointed as Non-Executive Independent Director for a second term of five (5) consecutive years commencing from 29.7.2024 to 28.7.2029. However, he resigned from the directorship of the Company w.e.f. 7.5.2025.

ix) Mr. Krishnakumar Srinivasan (DIN: 00692717) was re-appointed as the Managing Director & CEO of the Company for a period of five (5) years w.e.f. 11.2.2025 to 10.2.2030as approved by the Members in 60th AGM held on 24.7.2024.

x) Mr. Alexandru Vladoi (DIN: 10381503), Alternate Director to Mr. Klaus Semke (Non-Executive Director), resigned w.e.f. close of business hours of 31.03.2025.

xi) Mr. Hari Shanker Bhartia (DIN: 00010499) was re-appointed as Non-Executive Independent Director for a second term of five (5) consecutive years commencing from 31.3.2025 to 30.3.2030.

xii) The Board in its meeting held on 7.5.2025 appointed Mr. Akihiro Ozaki as NED (Independent) due to casual vacancy caused by resignation of Mr. Shinichi Unno, subject to allotment of DIN by Ministry of Corporate Affairs.

Directors liable to retire by rotation

Pursuant to the provisions of Section 152 of the Companies Act, 2013, and Rules framed thereunder (including any amendment thereof), Mr. Klaus Semke (DIN: 10133032), Non-Executive Director and Ms. Meenakshi Dass (DIN: 00524865), Non-Executive Director, of the Company shall retire by rotation at the ensuing AGM and being eligible, offer themselves for re-appointment. The Board recommends their re-appointment for members' approval.

A brief resume and other details of Directors seeking appointment/re-appointment are given in the Notice of the 61st Annual General Meeting of the Company.

The Board appreciated the services rendered and significant contribution to the Company of the Directors, who have ceased to be Directors during the year.

Familiarization Program for Independent Directors

The Company ensures that its Directors are well-informed and equipped to effectively contribute to strategic decision-making by providing regular orientation and comprehensive business overviews. This is facilitated through detailed presentations by various business and functional heads during Board and Committee meetings, as well as interactive programs designed to enhance their

understanding of the Company's operations. These sessions cover key aspects such as organizational culture, core values, business model, domestic and global market dynamics, and the roles and responsibilities of Independent Directors.

In addition to these engagements, they are regularly updated on the Company's new projects, research and development initiatives, regulatory changes, and strategic direction, ensuring they remain well-versed with industry developments and company-specific advancements. To further support their familiarization, the Independent Directors are provided with relevant documents, reports, and internal policies that offer deeper insights into the Company's governance framework, operational procedures, and best practices.

The details of the familiarization program(s) are comprehensively documented in the Corporate Governance Report, which forms an integral part of this Annual Report and is also available on the Company's website at https://shrirampistons.com/investors-guide-2/.

Declarations from Independent Directors

In terms of Section 149 of the Act and the SEBI Listing Regulations, 2015, Mr. Hari Shanker Bhartia, Ms. Ferida Avnish Chopra, Mr. Shinichi Unno and Ms. Tina Trikha are the Independent Directors of the Company as on the date of this Report.

All the Independent Directors of the Company have given declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, 2015. In terms of Regulation 25(8) of the SEBI Listing Regulations, 2015, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs (IICA), in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act as well as the Rules made thereunder and are independent of the Management. Some of the Independent Directors are exempted from clearing the online proficiency test being conducted by the IICA and the remaining Independent Directors have cleared their online proficiency test well within the prescribed timelines.

Directors and Key Managerial Personnel

During the financial year under review, there were below changes in the Key Managerial Personnel of the Company:

- Mr. Luv Deepak Shriram (DIN: 00051065) was re-appointed as a Whole-time Director of the Company for a period of five (5) years, effective from 5.5.2024 to 4.5.2029, as approved by the members by means of Postal Ballot on 8.5.2024.
- Mr. Krishnakumar Srinivasan (DIN: 00692717) was re-appointed as the MD & CEO of the Company for a period of 5 year w.e.f. 11.2.2025 to 10.2.2030 as approved by the Members in 60th AGM held on 24.7.2024.

Accordingly, pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel (KMP) of the Company as on March 31, 2025 are Mr. Krishnakumar Srinivasan, Managing Director & CEO, Mr. Luv Deepak Shriram, Whole-time Director, Mr. Prem Prakash Rathi, Chief Financial Officer (CFO) and Mr. Pankaj Gupta, Company Secretary (CS) of the Company.

Acknowledgement

The Board of Directors extends its sincere appreciation to all employees for their unwavering dedication and invaluable contributions to the Company's success. Their commitment, hard work, and resilience have been instrumental in driving the Company's performance and achieving key milestones.

The Board also expresses its gratitude to the esteemed collaborators, shareholders, employee unions, customers, dealers, suppliers, bankers, and government authorities for their continued trust and partnership. Their steadfast support and confidence in the Company's management have played a crucial role in the sustained growth and strategic advancements.

For and on behalf of the Board of Directors

(Pradeep Dinodia)
Chairman
DIN: 00027995

New Delhi
May 7, 2025

ANNEXURE - I TO BOARDS' REPORT

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate governance is the framework that fosters transparency, ethical conduct and stakeholders' confidence within the Company. Effective corporate governance enhances the Company's value and ensures the well-being of all stakeholders, including shareholders, employees, customers, suppliers, the environment and the community as a whole. It serves as the bedrock for enterprise success and sustainable growth.

The Company's Corporate Governance philosophy is deeply rooted in principles of integrity, ethical behavior across all levels, robust disclosure practices to ensure transparency, operational accountability, the pursuit of long-term shareholder value while safeguarding the interests of all stakeholders, and commitment to environmental sustainability. The Company believes that ethical behavior is non-negotiable at every level in the organization. Transparency is ingrained in the Company's operations, with a commitment to open and honest communication with all stakeholders. Strong leadership and effective corporate governance practices have been the Company's hallmark of SHRIRAM culture and ethos.

The Company follows the philosophy of building sustainable businesses, rooted in the community, and demonstrates care for the environment. The Company has inherited a strong legacy of fair and transparent ethical governance, as embodied in the Company's Code of Conduct.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with para C, D, E & F of Schedule V and clauses (b) to (i) and (t) of Regulation 46(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations, 2015') as applicable, concerning corporate governance.

A Report on compliance with the Corporate Governance provisions as prescribed under the SEBI Listing Regulations, 2015, is given herein below. This report is to be read with the Board's Report and all its Annexures for more clarity on the Corporate Governance practices of the Company.

II. BOARD OF DIRECTORS

The Board of Directors ('Board') is at the core of the Company's corporate governance practice & oversees, and ensures that the Management serves & protects the long-term interest of all stakeholders. The Company believe that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance.

Size and Composition of the Board

i) The Company is managed and controlled through a professional Board, comprising of an optimum combination of Executive, Non-Executive and Independent Directors. The composition of the Board conforms with the Regulation 17 of the SEBI Listing Regulations, 2015 read with Section 149 and 152 of the Companies Act, 2013 ("Act"). As of March 31, 2025, the Board comprised of 10 (ten) Directors, 2 (two) of whom are Executive Directors, 8 (eight) are Non-Executive Directors, of which 4 (four) are Non-Executive Independent Directors including 2 (two) Women Independent Director. Besides this, there are 2 (two) Alternate Directors on the Board and both are Non-Executive Non-Independent Directors. The Board periodically evaluates the need for change in its composition and size. Detailed profile of our Directors is available on our website at https://shrirampistons.com/board-of-directors/.

ii) None of the Director on the Board: -

- held directorships (including any alternate directorships) in more than 20 (twenty) companies. Further, none of the Directors is a Director in more than 10 (ten) public companies (as specified in Section 165 of the Act);
- serves as Director in more than 7 (seven) listed entities (as specified in Regulation 17A of the SEBI Listing Regulations, 2015);
- serves as an Independent Director in more than 7 (seven) listed entities; (as specified in Regulation 17A of the SEBI Listing Regulations, 2015).
- none of the Whole Time Director/Managing Director of the Company serves as an Independent Director in any listed entity (as specified in Regulation 17A of the SEBI Listing Regulations, 2015); and
- is a Member of more than 10 (ten) Committees or acts as Chairperson of more than 5 (five) Committees [considering only Audit and Stakeholders' Relationship Committee as specified in Regulation 26(1)(b) of the SEBI Listing Regulations, 2015], across all listed entities in which he/she is a Director.

Necessary disclosures regarding committee positions in other public limited companies as of March 31, 2025, have been made by the Directors.

iii) Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of SEBI Listing Regulations, 2015, read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, 2015, all the Independent Directors have declared that they meet the criteria of Independence as provided in Regulation 16(1)(b) of SEBI Listing Regulations, 2015 and have also confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The maximum tenure of the Independent Directors complies with the SEBI Listing Regulations, 2015, Act read with Rules framed thereunder, and clarifications/circulars issued by the Ministry of Corporate Affairs in this regard from time to time. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

iv) Mr. Luv Deepak Shriram (Whole-time Director) is brother of Ms. Meenakshi Dass (Non-Executive Director), hence, are related to each other and belong to the promoter category. None of the other Directors of the Company are in any way related to each other.

v) Mr. Pradeep Dinodia, Chairperson of the Company is a Non-Executive Non-Independent Director and is not related to Mr. Krishnakumar Srinivasan, Managing Director & CEO of the Company as per the definition of the term "relative" defined under the Companies Act, 2013.

vi) Six (6) Board Meetings were held during the financial year ended March 31, 2025 and gap between the two meetings did not exceed one hundred twenty (120) days as stipulated under Regulation 17(2) of SEBI Listing Regulations, 2015, Secretarial Standards and the Act. These meetings were held on 13.5.2024, 24.7.2024, 5.9.2024, 28.10.2024, 3.2.2025 and 25.3.2025. The necessary quorum was present at all the meetings and in case of any exigency/urgency, resolution(s) were passed by circulation. Further, video-conferencing facilities were also provided to facilitate Directors travelling/residing abroad or at other locations to participate in the meetings.

vii) The names and categories of the Directors on the Board, Director's Identification Number, their attendance at Board Meetings held during the year and at the last Annual General Meeting ("AGM"), name of other listed entities in which he/she is a director (including category of Directorship) and the number of Directorships and Committee Chairmanships/Memberships held by them in other Public Companies as of March 31, 2025 are given herein below. Other Directorships do not include directorships of Private Limited Companies, Foreign Companies, and Companies registered under Section 8 of the Act. For the purpose of determination of the limit of the Board Committees, Chairmanship/ Membership of the Audit and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations, 2015.

Name of Director, Designation & DIN	Category	No. of Board meetings attended during the FY 2024-25	Whether attended last AGM held on July 24, 2024	No. of Directorships in other Public companies[9]		No. of Committee positions held in other public companies[9]		Directorships in other Listed entity (Category of Directorship)
				Chair-person	Member (incl. Chairman-ship)	Chair-person	Member (incl. Chairman-ship)	
Mr. Pradeep Dinodia (Chairman) (DIN: 00027995)	Non–Executive Director	6	Yes	-	3	3	5	i) Hero MotoCorp Limited (Non-Executive Non-Independent Director) ii) DCM Shriram Limited (Non-executive Non-Independent Director)

Name of Director, Designation & DIN	Category	No. of Board meetings attended during the FY 2024-25	Whether attended last AGM held on July 24, 2024	No. of Directorships in other Public companies[9]		No. of Committee positions held in other public companies[9]		Directorships in other Listed entity (Category of Directorship)
				Chair-person	Member (incl. Chairman-ship)	Chair-person	Member (incl. Chairman-ship)	
Mr. Hari Shanker Bhartia (DIN: 00010499)	Non–Executive Independent Director	1	No	3	4	-	1	i) Jubilant Pharmova Limited (Non-Executive Director & Co-Chairman) ii) Jubilant Ingrevia Limited (Co-Chairman & Wholetime Director) iii) Global Health Limited (Independent Director) iv) Jubilant Food Works Limited (Co-Chairman & Non-Executive Director)
Ms. Ferida Avnish Chopra (DIN: 08415847)	Non–Executive Independent Director	6	Yes	-	3	-	3	-
Mr. Inderdeep Singh[1] (DIN: 00173538)	Non–Executive Independent Director	2	Yes	-	-	-	-	-
Ms. Tina Trikha [2] (DIN: 02778940)	Non–Executive Independent Director	6	Yes	-	3	1	2	i) Hero MotoCorp Limited (Non-Executive Independent Director) ii) Oberoi Realty Limited (Non-Executive Independent Director) iii) C.E. Info Systems Limited (Non-Executive Independent Director)
Mr. Shinichi Unno [3] (DIN: 09189521)	Non–Executive Independent Director	5	Yes	-	-	-	-	-
Ms. Meenakshi Dass (DIN: 00524865)	Non–Executive Director (Promoter)	5	No	-	2	-	-	-
Mr. Klaus Semke (DIN: 10133032)	Non–Executive Director	5	Yes	-	-	-	-	-
Mr. Luv Deepak Shriram [4] (Whole Time Director) (DIN: 00051065)	Executive Director (Promoter)	6	Yes	-	1	-	-	-
Mr. Krishnakumar Srinivasan [5] (Managing Director & CEO) (DIN: 00692717)	Executive Director	6	Yes	4	4	-	3	-

Name of Director, Designation & DIN	Category	No. of Board meetings attended during the FY 2024-25	Whether attended last AGM held on July 24, 2024	No. of Directorships in other Public companies[9]		No. of Committee positions held in other public companies[9]		Directorships in other Listed entity (Category of Directorship)
				Chair-person	Member (incl. Chairman-ship)	Chair-person	Member (incl. Chairman-ship)	
Mr. Alexandru Vladoi [6] (Alternate Director to Mr. Klaus Semke) (DIN: 10381503)	Non–Executive Director	-	NA	-	-	-	-	-
Mr. Yasunori Maekawa [7] (DIN: 06952173)	Non–Executive Director	4	Yes	-	-	-	-	-
Mr. Shigeto Muno [8] (Alternate Director to Mr. Yasunori Maekawa) (DIN: 10666395)	Non–Executive Director	2	Yes	-	-	-	-	-

Notes:

(1) Consequent to the completion of his tenure, Mr. Inderdeep Singh ceased to be Non-Executive Director (NED) (Independent) w.e.f. close of business hours of 28.7.2024.

(2) Ms. Tina Trikha was appointed as Non-Executive Director (NED) (Independent) w.e.f. 13.5.2024 as approved by the Members in 60th AGM held on 24.7.2024.

(3) Mr. Shinichi Unno, NED (Independent) resigned w.e.f. close of business hours of 7.5.2025. The Board in its meeting held on 7.5.2025 appointed Mr. Akihiro Ozaki as NED (Independent) due to casual vacancy caused by resignation of Mr. Shinichi Unno, subject to allotment of DIN by Ministry of Corporate Affairs.

(4) Mr. Luv Deepak Shriram was re-appointed for a further period of 5 years w.e.f. 5.5.2024, as approved by the Members by means of postal ballot on 8.5.2024.

(5) Mr. Krishnakumar Srinivasan's current term as MD & CEO expired on 10.2.2025 and was re-appointed for a further period of 5 years w.e.f. 11.2.2025 as approved by the Members in 60th AGM held on 24.7.2024.

(6) Mr. Alexandru Vladoi, Alternate Director to Mr. Klaus Semke, resigned w.e.f. close of business hours of 31.3.2025.

(7) Mr. Yasunori Maekawa was appointed as NED w.e.f. 13.5.2024 as approved by the Members in 60th AGM held on 24.7.2024.

(8) Mr. Shigeto Muno was appointed as Alternate Director to Mr. Yasunori Maekawa w.e.f 12.6.2024.

(9) Includes Directorships and Committee positions in deemed public company (ies).

viii) During the financial year 2024-25, information as specified in Part A of Schedule II of the SEBI Listing Regulations, 2015, has been placed before the Board for its consideration.

ix) The Board periodically reviews compliance reports pertaining to all laws applicable to the Company as required under Regulation 17(3) of the SEBI Listing Regulations, 2015, and suggest rectification, if any.

x) The Board has satisfied itself that plans are in place for orderly succession for appointment to the Board of Directors and Senior Management.

xi) Details of the number of equity shares of the Company held by the Directors (Executive and Non-Executive) as of March 31, 2025 are given below:

a) Executive Directors

Name of the Director	Designation	No. of Shares held	Percentage
Mr. Luv Deepak Shriram	Whole-time Director	60,07,362 Equity Shares held jointly as 1st holder	13.64
		60,07,362 Equity Shares held jointly as 2nd holder *(in the capacity of Trustee –shares belong to Deepak Shriram Family Benefit Trust)*	Refer to para (b) below
		4 Equity Shares held jointly with *Mr. Kush D Shriram as trustees of NAK Benefit Trust*	-
		10,900 Equity shares held in his own name	0.02

b) Non-Executive Directors

Name of the Director	Designation	No. of Shares held	Percentage
Ms. Meenakshi Dass	Non-Executive Director	60,07,362 Equity Shares held jointly as 1st holder	13.64
		60,07,362 Equity Shares held jointly as 2nd holder *(in the capacity of Trustee–shares belong to Deepak Shriram Family Benefit Trust)*	Refer to para (a) above
		16,69,440 Equity shares held in her own name	3.79

Notes:

(i) Apart from receiving directors' sitting fees, dividend declared by the Company on the shares held, if any, and profit based commission, none of the Non- Executive or Independent Directors has any other material pecuniary relationship or transaction with the Company.

(ii) The Executive Directors and/or Non-Executive Directors of the Company do not hold any convertible securities/ instruments of the Company.

xii) Core Skills / Expertise / Competencies available with the Board:

The Company operates primarily in the Automotive Components segment. The Board has identified certain skills/expertise/competencies fundamental for the effective functioning of the Company and the Board of Directors of the Company is diversified and possesses all relevant skills. The Company believes that the collective effectiveness of the Board is a pre-requisite for the overall performance and progress of the Company. The Directors on the Board of the Company are professionals with extensive experience and expertise in their respective functional areas. The table given below shows the varied skills, expertise and competencies possessed by Directors.

S. No.	Skills	Name(s) of Directors who possesses such skills
(i)	Technical knowledge of the Industry in which the Company operates	- Mr. Pradeep Dinodia - Mr. Klaus Semke - Mr. Yasunori Maekawa - Mr. Shinichi Unno - Mr. Luv Deepak Shriram - Mr. Krishnakumar Srinivasan

S. No.	Skills	Name(s) of Directors who possesses such skills
(ii)	Knowledge of finance, law, management, sales, marketing, administration, research, corporate governance, global business, emerging market experience, regulatory and risk oversight	- Mr. Pradeep Dinodia - Mr. Hari Shanker Bhartia - Ms. Ferida Chopra - Ms. Meenakshi Dass - Mr. Klaus Semke - Mr. Inderdeep Singh - Ms. Tina Trikha - Mr. Yasunori Maekawa - Mr. Shinichi Unno - Mr. Luv Deepak Shriram - Mr. Krishnakumar Srinivasan - Mr. Alexandru Vladoi - Mr. Shigeto Muno
Notes:	- *On completion of his tenure, Mr. Inderdeep Singh ceased to be NED (Independent) w.e.f. close of business hours of 28.7.2024.* - *Ms. Tina Trikha was appointed as NED (Independent) w.e.f. 13.5.2024.* - *Mr. Yasunori Maekawa was appointed as NED w.e.f. 13.5.2024.* - *Mr. Shigeto Muno was appointed as Alternate Director to Mr. Yasunori Maekawa w.e.f. 12.6.2024.* - *Mr. Alexandru Vladoi, Alternate Director to Mr. Klaus Semke, resigned w.e.f. close of business hours of 31.3.2025.* - *Mr. Shinichi Unno, NED (Independent) resigned w.e.f. close of business hours of 7.5.2025.*	

xiii) Selection and Appointment of new directors

The Nomination and Remuneration Committee (NRC) evaluates potential Directors based on their expertise, independence and ability to enrich the Company's strategic & policy discussions. It prioritizes individuals with notable accomplishments in their respective domains who can effectively contribute to the Company's business goals. Moreover, it evaluates their existing directorships & committee memberships to ensure their availability and undivided attention.

The NRC oversees the screening and selection process of potential candidates. Upon evaluation, the NRC presents its recommendations to the Board. Subsequently, the Board reviews and approves the appointment of Directors, subject to shareholders' approval.

xiv) Familiarization Program for Independent Directors

The Independent Directors of the Company are eminent personalities having wide experience in the field of business, finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions. As required under Regulation 46 of the SEBI Listing Regulations, 2015, the terms and conditions of appointment of Independent Directors including their role, responsibility and duties are disclosed on the Company's website at https://shrirampistons.com/pdf/T-C-appointment-Id.pdf

Periodic presentations are made by the Senior Management, Statutory and Internal Auditors at the Board/ Committee Meetings on business and performance updates of the Company and its subsidiaries, the global business environment, business risks and their mitigation strategy, the impact of regulatory changes on

strategy etc. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Independent Directors.

The details of the familiarization programme of the Independent Directors are available on the Company's website at https://shrirampistons.com/investors-guide-2/.

xv) Confirmation that the Independent Directors fulfills the condition and are Independent of the Management

In the opinion of the Board, all the Independent Directors appointed on the Board have fulfilled all the necessary conditions and criteria as enumerated under Regulation 16(1)(b) of the SEBI Listing Regulations, 2015, and have provided their declaration/disclosures in relation to their Independence as required under Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations, 2015. All the Independent Directors are independent of the management and are not related to any members of the Board. The Company has taken Directors and Officers Insurance ('D and O' Insurance) for all its Independent Directors, as mandated under Regulation 25(10) of the SEBI Listing Regulations, 2015.

xvi) Detailed reasons for the resignation of an Independent Director before the expiry of his/her tenure along with confirmation that there are no material reasons other than those provided

During the year under review, none of the Independent Directors of the Company had resigned from the Board of the Company before the expiry of their respective tenure(s).

However, Mr. Shinichi Unno (DIN: 09189521) has tendered his resignation as an Independent Director of the Company w.e.f. close of business hours of 7.5.2025 due to personal reasons. He also confirmed that there were no other material reasons other than those provided in his resignation letter.

III. COMMITTEES OF THE BOARD

The Board has constituted Six (6) Committees, each entrusted with specific responsibilities and delegated authority to ensure focused attention on key areas and timely decision-making. Each Committee operates under a formal charter approved by the Board, which clearly defines its scope, roles, and responsibilities. Members of the Committees are appointed by the Board as deemed necessary, and the Company Secretary acts as the Secretary to all such Committees.

All recommendations and submissions made by the Committees during the financial year 2024–25, wherever required, were placed before the Board and were duly approved. The Committees meet at regular intervals, or as mandated under applicable laws, to discharge their functions effectively.

Brief terms of reference, composition, meetings, attendance, and other relevant details of these Committees are as under:

A. Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI Listing Regulations, 2015 read with Section 177 of the Act. The broad terms of reference of the Audit Committee are:

a) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient, and credible;

b) Recommending to the Board the appointment/ re-appointment, remuneration, and terms of appointment of auditors of the Company;

c) Approval of payments to the statutory auditors for any other services rendered by them;

d) Reviewing with the Management, the annual financial statements and auditor's report thereon, before submission to the Board for approval with particular reference to:

(i) Matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of clause(c) of sub-section (3) of Section 134 of the Act;

(ii) Changes, if any, in accounting policies and practices and reasons for the same;

(iii) Major accounting entries involving estimates based on the exercise of judgement by management;

(iv) Significant adjustments made in the financial statements arising out of audit findings;

(v) Compliance with listing and other legal requirements relating to financial statements;

(vi) Disclosure of any related party transactions;

(vii) Modified opinion(s) in the draft audit report.

e) Reviewing with the Management, the quarterly financial statements before submission to the Board for approval;

f) Reviewing with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public, rights issue, Preferential Issue or Qualified Institution Placement and making appropriate recommendations to the Board to take up steps in this matter;

g) Review and monitor the auditor's independence and performance and effectiveness of the audit process;

h) Approval of any subsequent modification of transactions of the Company with related parties;

i) Scrutiny of inter-corporate loans and investments;

j) Valuation of undertakings or assets of the Company wherever it is necessary;

k) Evaluation of internal financial controls and risk management systems;

l) Reviewing with the Management, the performance of statutory and internal auditors and the adequacy of the internal control systems;

m) Discussion with internal auditors any significant findings and follow up thereon;

n) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting matters to the Board;

o) Discussion with the statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern;

p) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

q) Reviewing the functioning of the whistle blower mechanism;

r) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background etc., of the candidate;

s) Reviewing the utilization of loans, advances, investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary whichever is lower including existing loans/ advances / investments;

t) Consider and comment on the rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc.

u) The Audit Committee also mandatorily reviews the following information:

(i) management discussion and analysis of financial condition and results of operations;

(ii) management letters / letters of internal control weaknesses issued by the statutory auditors;

(iii) internal audit reports relating to internal control weaknesses;

(iv) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;

(v) to review statement of deviation(s), if any, in terms of SEBI Listing Regulations, 2015; and

(vi) to review the compliance with the provisions of SEBI (PIT) Regulations and verify that the system for internal control is adequate and operating effectively.

Upon invitation, the CFO, internal auditors and statutory auditors of the Company attend meetings of the Audit Committee. The Company Secretary acts as the Secretary of the Audit Committee.

During FY 2024-25, five (5) meetings of the Audit Committee were held i.e. on 13.5.2024, 24.7.2024, 28.10.2024, 3.2.2025, and 25.3.2025 in due compliance with the provisions of the Act and the SEBI Listing

Regulations, 2015 and the gap between two meetings did not exceed one hundred and twenty (120) days. A necessary quorum was present at all the meetings.

The composition of the Audit Committee and the number of meetings attended by the members during the year are given below:

Name of Committee Member	Category	Meetings Attended
Mr. Inderdeep Singh*, Chairperson	Non- Executive Independent Director	2
Ms. Tina Trikha**, Chairperson	Non- Executive Independent Director	3
Ms. Ferida Chopra, Member	Non- Executive Independent Director	5
Mr. Pradeep Dinodia, Member	Non-Executive Non-Independent Director	5
*Note: *On completion of his tenure, Mr. Inderdeep Singh ceased to be NED (Independent) w.e.f. close of business hours of 28.7.2024 and consequently ceased to be the chairperson of the Audit Committee.* ***Ms. Tina Trikha was appointed as NED (Independent) w.e.f. 13.5.2024 and became a chairperson of the Audit Committee w.e.f. 29.7.2024.*		

Mr. Krishnakumar Srinivasan, MD & CEO, is a permanent invitee to all the Audit Committee meetings.

Mr. Pankaj Gupta, Company Secretary acts as the Secretary of the Audit Committee. The previous AGM of the Company was held on 24.7.2024 and was attended by Mr. Inderdeep Singh, the then Chairperson of Audit Committee.

B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) of the Company is constituted in consonance with the provisions of Regulation 19 of SEBI Listing Regulations, 2015, and Section 178 of the Act read with Rules framed thereunder.

The broad terms of reference of NRC includes the following:

a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommending to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

b) formulation of criteria for evaluation of the performance of Independent Directors and the Board;

c) to devise a policy on Board diversity;

d) to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;

e) For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. To Identify suitable candidates, the Committee may:

   (i) use the services of external agencies, if required;

   (ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and

   (iii) consider the time commitments of the candidates.

f) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

g) recommend to the board, all remuneration, in whatever form, payable to senior management.

During the year under review, one (1) meeting of the NRC were held i.e. on 13.5.2024 in due compliance with the provisions of the Act and SEBI Listing Regulations, 2015. A necessary quorum was present at the aforesaid meeting.

The composition of the NRC and the number of meetings attended by the members during the year are as given below:

Name of Committee Member	Category	Meetings Attended
Ms. Ferida Chopra, Chairperson	Non- Executive Independent Director	1
Ms. Tina Trikha**, Member	Non- Executive Independent Director	NA
Mr. Inderdeep Singh*, Member	Non- Executive Independent Director	1
Mr. Pradeep Dinodia, Member	Non-Executive Non- Independent Director	1
*Note: *On completion of his tenure, Mr. Inderdeep Singh ceased to be NED (Independent) w.e.f. close of business hours of 28.7.2024 and consequently ceased to be the Member of NRC.* *** Ms. Tina Trikha was appointed as NED (Independent) w.e.f. 13.5.2024 and was appointed as Member of the NRC w.e.f. 29.7.2024.*		

Mr. Krishnakumar Srinivasan, MD & CEO, is a permanent invitee to all the Nomination and Remuneration Committee meetings.

Mr. Pankaj Gupta, Company Secretary acts as the Secretary of the NRC. The previous AGM of the Company was held on 24.7.2024 and was attended by Ms. Ferida Chopra, Chairperson of NRC.

Formal Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013, SEBI Listing Regulations, 2015 and in accordance with the parameters suggested by the Nomination and Remuneration Committee, the Board of Directors carried out an annual evaluation for the FY 2024-25, of its own performance, its Committees and Individual Directors. The assessment was carried out internally through structured questionnaires designed to facilitate a comprehensive and objective review.

Performance Evaluation Criteria for Independent Directors

According to the provisions of Sections 134 and 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations, 2015, the Nomination and Remuneration Committee has devised a performance evaluation criteria for Independent Directors and the Director being assessed on the following basis: -

- Professional qualifications, expertise and experience in specific areas of business
- Ethical Standards of Integrity and Probity
- Implementation of best corporate governance practices in the Company
- Attendance and participation in the meetings
- Raising concerns to the Board
- Safeguarding confidential information
- Rendering independent, unbiased opinions and resolution of issues
- Responsiveness to economic, business, and regulatory developments
- Initiative in terms of new ideas and planning for the Company
- Safeguarding the interest of whistle-blowers under vigil mechanism
- Timely inputs on the minutes of the meetings of the Board and Committees, if any.

Performance Evaluation of the Board and Committees thereof

The performance of the Board was evaluated by the Board Members after considering inputs from all the Directors primarily on:

- Composition and quality of the Board, including size, diversity, and the collective skill set of its members;
- Periodic review of the Company's management and internal control system for appropriateness and relevance;

- Board process and procedure with emphasis on the frequency of meetings, attendance thereof and flow of information;
- Quality and constructiveness of Board discussions and deliberations
- Oversight of the Financial Reporting process including Internal Controls, statutory compliance and Audit Functions; and
- Engagement in Corporate Governance, assurance of compliance with applicable laws, regulations, and adequacy of financial and operational controls.

The Board evaluated the performance of the Committees on the following parameters:

- Appropriateness of size and composition;
- Clarity of mandate and well-defined agenda;
- Periodic review and updating of the Committee Charter in line with regulatory changes;
- Conduct of meetings ensured transparent, unbiased, and constructive discussions;
- Sufficient deliberation before taking key decisions or approving significant transactions;
- Regular reporting to the Board on key developments, recommendations, and action plans; and
- Availability of appropriate support or resources to the Committees.

Performance Evaluation of Individual Directors

The performance evaluation of the Individual Directors were carried out by the Board and other Individual Directors, considering aspects such as:

- Display of effective leadership qualities and skill;
- Implementation of observations/ recommendations of Board Members;
- Effective and timely resolution of grievances of Board Members;
- Ability to bring convergence in case of divergent views and conflict of interest situation tabled at Board meetings;
- Sufficient knowledge of Company strategy and objective;
- Understand their role as Director, as distinct from management;
- Adequate and productive use of knowledge and experience of the Independent Directors for the functioning of Board;
- Efforts for professional development to enable better fulfilment of their responsibilities;
- Ask questions/ critique proposals with confidence; and
- Open and effective participation in Board discussions.

Evaluation Outcome

The overall outcome of the Board's performance evaluation highlighted that the Board effectively upholds the highest standards of corporate governance, with transparency embedded in its operations. Board members actively contribute to monitoring performance, ensuring compliance, and guiding strategic direction. The Board plays a pivotal role in shaping the Company's future course. The Audit Committee regularly engages with auditors independently. The Board/Committee meetings are well-structured, with timely communication of agendas and accurate documentation. The Board Committees support effective governance, and their suggestions are positively implemented by management.

Independent Directors bring diverse expertise and regularly review governance, compliance, and succession planning. Non-Independent Directors contribute significantly with deep sector knowledge and are open to feedback.

The Chairman is a visionary leader, widely respected in the industry, which demonstrates inclusive leadership, promotes consensus, and has implemented a well-accepted succession plan, upholding the highest standards of governance

Nomination and Remuneration Policy:

The Nomination and Remuneration Policy ("Policy") is formulated by the NRC and approved by the Board of Directors of the Company. The Policy of the Company has been uploaded on the website of the Company under the web link https://shrirampistons.com/investors-guide-2/

The Policy of the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. The guiding principle of the Policy is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management.

NRC determines and recommends to the Board for approval, individual remuneration packages for Executive Directors, KMPs & Senior Management of the Company based on the scope of their duties, the role & nature of responsibilities, the level of skill, knowledge & experience of an individual, their performance, business performance and practices in comparable companies, having due regard to financial & commercial health of the Company as well as prevailing laws and regulations/other guidelines.

Remuneration may comprise of fixed component only or a combination of both fixed and variable component including commission by way of a percentage of the Net profit of the Company as calculated under Section 198 of the Act. Fixed component may include salary, allowances, perquisites and other statutory/non-statutory benefits. The NRC may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, fulfillment of specified improvement targets, or the attainment of certain financial or other objectives set by the Board. The amount payable is determined by the NRC, based on performance against pre-determined financial and non-financial metrics.

Remuneration to Non-Executive Directors

According to the approval granted by the Members of the Company at the 60th AGM held on 24th July, 2024, the Non-Executive Directors were paid commission upto a maximum of 1% of annual profits of the Company (profit before depreciation, donation and taxes) for the FY 2024-25, as computed in the manner laid down in Section 198 of the Act or any statutory modification(s) or re-enactment(s) thereof. Further, based on the aforementioned members' approval, out of the said limit of 1% commission, Mr. Pradeep Dinodia, Chairman (Non-Executive Director) of the Company was paid a commission @ 0.60% for the FY 2024-25.

Besides the above, the Non- Executive Directors are also entitled to get sitting fees for attending the Board Meeting and Committee Meetings. Sitting fees to the Non-Executive Directors for attending each Board & Committee Meeting was Rs. 1,00,000/-. The Company also reimburses the out-of-pocket expenses incurred by Directors for attending the meetings.

Non-Executive Directors do not have any other pecuniary relationship with the Company except as stated above.

The fee and commission paid/provided to the Non-Executive Directors for the year ended March 31, 2025 are as follows:

Directors	Sitting Fees for Board and Committee meetings paid during the year (Rs. in Million)	Commission (Rs. in Million)
Mr. Pradeep Dinodia (Chairman)	1.70	45.32
Mr. Hari Shanker Bhartia	0.10	1.00
Ms. Ferida Avnish Chopra	1.30	5.00
Ms. Meenakshi Dass	0.90	4.40
Mr. Shinichi Unno	0.50	3.70
Mr. Inderdeep Singh(1)	0.70	1.00
Mr. Klaus Semke	0.50	3.70
Ms. Tina Trikha(2)	1.10	5.00
Mr. Yasunori Maekawa(3)	0.40	3.00

Directors	Sitting Fees for Board and Committee meetings paid during the year (Rs. in Million)	Commission (Rs. in Million)
Mr. Shigeto Muno[4] (Alternate Director to Mr. Yasunori Maekawa)	0.20	1.50
Mr. Alexandru Vladoi [5] (Alternate Director to Mr. Klaus Semke)	Nil	Nil

Notes:

(1) Consequent to completion of his tenure, Mr. Inderdeep Singh ceased to be NED (Independent) w.e.f. close of business hours of 28.7.2024.

(2) Ms. Tina Trikha was appointed as NED (Independent) w.e.f. 13.5.2024.

(3) Mr. Yasunori Maekawa was appointed as NED of the Company w.e.f. 13.5.2024.

(4) Mr. Shigeto Muno was appointed as Alternate Director to Mr. Yasunori Maekawa w.e.f. 12.6.2024.

(5) Mr. Alexandru Vladoi, Alternate Director to Mr. Klaus Semke, resigned w.e.f. close of business hours of 31.3.2025.

Remuneration to Executive Directors:

The Company pays remuneration by way of salary, benefits, perquisites, and allowances (fixed component) and commission (variable component) on annual profits (before depreciation, donation, and taxes) of the Company as calculated under Section 198 of the Act.

The remuneration to the Managing Director & CEO and Whole-time Director for the year ended March 31, 2025 is as follows: -

Rs. in Million

Particulars	Mr. Krishnakumar Srinivasan (Managing Director & CEO)	Mr. Luv Deepak Shriram (Whole-time Director)
Salary	11.40	7.41
Commission	75.51	64.18
Company's Contribution to Funds#	2.67	0.0015
Perquisites and Allowances	16.43*	3.79
Total	**106.01**	**75.38**
Date of Original appointment	11.2.2020	1.4.2009**
Date of Appointment/Re-appointment	11.2.2025	5.5.2024
Tenure up to	10.2.2030	4.5.2029

Notes:

i. Notice period is six months, on either side.

ii. In the event of termination of appointment, compensation will be paid in accordance with the provisions of the Companies Act, 2013.

iii. Performance criteria for determining commission are annual profits of the Company before depreciation, donation and taxes.

iv. The Company does not have a scheme of stock options

v #Aggregate of the Company's contribution to the Provident Fund, Superannuation Fund & Gratuity Fund.

vi. Revision within the salary scale shall be approved by NRC.

*vii. *During the FY 2024-25, the Company has provided an interest-free advance amounting to Rs. 150 Million to Mr. Krishnakumar Srinivasan, MD & CEO, repayable in five equal yearly instalments and perquisite value of the same has been included in "Perquisites and allowances".*

*viii. **Mr. Luv Deepak Shriram was initially appointed as NED w.e.f. 1.4.2009 and later appointed as Whole-time Director of the Company w.e.f. 5.5.2014.*

Senior Management Personnel during FY 2024-25

The Nomination and Remuneration Policy of the Company defines Senior Management Personnel (SMP) of the Company. The list of Senior Management Personnel as on March 31, 2025 is hosted on the Company's website at https://shrirampistons.com/management-team/. Below is the list of Senior Management Personnel of the Company as on March 31, 2025:

S.No.	Name	Designation
(i)	Mr. Krishnakumar Srinivasan	Managing Director & CEO
(ii)	Mr. Prem Prakash Rathi	Executive Director & CFO
(iii)	Mr. Arun Kumar Shukla	Executive Director - Projects
(iv)	Mr. Sandeep Agrawal	Executive Director & CMO
(v)	Mr. Rajnish Julka	Executive Director - Ghaziabad Works
(vi)	Mr. Sumantra Mukherjee	Executive Director - Pathredi Works
(vii)	Mr. Rajan Nanda	Executive Director - Marketing
(viii)	Ms. Poonam Bharti	Executive Director & CHRO
(ix)	Mr. Atul K. Khanapurkar	Executive Director - Pathredi Works
(x)	Mr. Dharmendra Singh	Dy. Executive Director - Ghaziabad Works
(xi)	Mr. Ashok Sinha	Dy. Executive Director - ISCM
(xii)	Mr. Prashant Khairnar	Dy. Executive Director & CDO
(xiii)	Mr. Pankaj Gupta	Dy. Executive Director - Head Legal & Company Secretary
(xiv)	Mr. Pankaj Kumar Jain	Chief Quality Control

Change in SMP during FY 2024-25:

- *Mr. Sumantra Mukherjee, Executive Director - Pathredi was appointed as Senior Management Personnel on May 24, 2024.*
- *Mr. Devendra Mishra, Executive Director - Pathredi, superannuated from the Company on September 2, 2024.*
- *Mr. Sandeep Kalia, Executive Director - Ghaziabad, superannuated from the Company on September 2, 2024.*

C. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee (SRC) is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations, 2015 read with Section 178 of the Act and Rules framed thereunder (including any amendments thereof).

The broad terms of reference of the SRC are : -

a) Resolving the grievances of the security holders of the Company including complaints related to the transfer/ transmission of shares, non-receipt of the annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

b) Review of measures taken for the effective exercise of voting rights by shareholders.

c) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

d) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

During the year, one (1) meeting of SRC was held on 3.2.2025 and necessary quorum was present at the said meeting.

The composition of the SRC and number of meeting (s) attended by the members during the year are given below:

Names of Committee Members	Category	Meetings Attended
Ms. Ferida Chopra, Chairperson	Non- Executive Independent Director	1
Mr. Pradeep Dinodia, Member	Non-Executive Non- Independent Director	1
Mr. Krishnakumar Srinivasan, Member	Managing Director & CEO (Executive Director)	1

Mr. Pankaj Gupta, Company Secretary acts as the Secretary of the SRC. The previous AGM of the Company was held on 24.7.2024 and was attended by Ms. Ferida Chopra, Chairperson of SRC.

The Company addresses all complaints, suggestions and grievances expeditiously and replies are sent/ issues resolved usually within 15 days unless there is a dispute or other legal constraint.

(i) Name, Designation, Address & E-mail of Compliance Officer:

Mr. Pankaj Gupta, Company Secretary & Compliance Officer

Shriram Pistons & Rings Limited
Registered Office: 3rd Floor, Himalaya House,
23, Kasturba Gandhi Marg,
New Delhi -110 001
E-mail : pankaj.gupta@shrirampistons.com
compliance.officer@shrirampistons.com
Ph.: +91 11 2331 5941

(ii) Detail of shareholder's complaints received and redressed:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	Nil	Nil	Nil

D. Risk Management Committee

The Company has constituted a Risk Management Committee ('RMC') in concurrence with the provisions of Regulation 21 of the SEBI Listing Regulations, 2015, for framing, implementing and monitoring the risk management policy of the Company. The RMC assists the Board in fulfilling its oversight responsibility with respect to Enterprise Risk Management ('ERM').

The terms of the reference of RMC are wide and are in line with the regulatory requirements of the SEBI Listing Regulations, 2015 and *inter alia* include:

(i) Formulation of a detailed risk management policy which shall include:
   a) Framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by RMC;
   b) Measures for risk mitigation including systems and processes for internal control of identified risks; and
   c) Business continuity plan.

(ii) Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(iii) Monitoring and overseeing the implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(iv) Periodically reviewing the risk management policy (at least once in two years) including by considering the changing industry dynamics and evolving complexity;

(v) Keeping the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken; and

(vi) Reviewing the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

During the year, two (2) meetings of RMC were held on 20.6.2024 and 20.12.2024 and the intervening gap between the two consecutive meetings did not exceed two hundred and ten (210) days. Necessary quorum was present at the meeting.

The composition of the RMC and details of its Members are given below:

Names of Committee Members	Category	Meetings Attended
Mr. Pradeep Dinodia, Chairperson	Non-Executive, Non- Independent Director	2
Mr. Inderdeep Singh*, Member	Non- Executive Independent Director	1
Mr. Krishnakumar Srinivasan, Member	Managing Director & CEO	2
Mr. Luv Deepak Shriram , Member	Whole-time Director	1
Ms. Meenakshi Dass, Member	Non-Executive Non- Independent Director	2
Ms. Tina Trikha**, Member	Non- Executive Independent Director	1
*Note: *Consequent to completion of his tenure, Mr. Inderdeep Singh ceased to be NED (Independent) w.e.f. close of business hours of 28.7.2024 and the Member of RMC.* *** Ms. Tina Trikha was appointed as NED (Independent) w.e.f. 13.5.2024 and was appointed as Member of the RMC w.e.f. 29.7.2024.*		

E. Corporate Social Responsibility (CSR) Committee

Corporate Social Responsibility Committee is constituted in concurrence with the provisions of Section 135 of the Companies Act, 2013 and rules framed thereunder.

Terms of reference of the CSR Committee include:

(i) to formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject specified in Schedule VII of the Companies Act, 2013;

(ii) to recommend the amount of expenditure to be incurred on CSR activities;

(iii) to monitor CSR Policy of the Company from time to time;

(iv) discharge such duties and functions as indicated in Section 135 of the Companies Act, 2013 and Rules made thereunder from time to time and such other functions as may be delegated to the Committee by the Board from time to time.

The CSR Policy of the Company has been uploaded on the Company's website under the web link https://shrirampistons.com/investors-guide-2/ and the areas and amount of expenditure incurred by the Company on CSR projects or programs during the financial year 2024-25 has been updated and is available on the website of the Company. During the year, two (2) meetings of the CSR Committee were held on 13.5.2024 and 28.10.2024. Necessary quorum was present at all the CSR Committee meetings. The Composition of the CSR Committee and details of the meetings attended by its members are given below: -

Names of Committee Members	Category	Meetings Attended
Mr. Pradeep Dinodia, Chairperson	Non-Executive Non- Independent Director	2
Mr. Inderdeep Singh*, Member	Non- Executive Independent Director	1
Ms. Meenakshi Dass, Member	Non-Executive Non- Independent Director	2
Mr. Krishnakumar Srinivasan, Member	Managing Director & CEO	2
Mr. Luv Deepak Shriram, Member	Whole-time Director	2
Ms. Tina Trikha**, Member	Non- Executive Independent Director	1
*Note: *Consequent to completion of his tenure, Mr. Inderdeep Singh ceased to be NED (Independent) w.e.f. close of business hours of 28.7.2024 and the Member of CSR Committee.* *** Ms. Tina Trikha was appointed as NED (Independent) w.e.f. 13.5.2024 and was appointed as a Member of the CSR Committee w.e.f. 29.7.2024.*		

Mr. Pankaj Gupta, Company Secretary acts as the Secretary of the CSR Committee.

F. Board Committee for Loans

The Board Committee for Loans is constituted and the terms of reference of the Committee, inter alia includes the following:

(i) to borrow sum or sums of money from time to time, for the business of the Company, from any Indian or Foreign Bank(s), Financial Institution(s), and /or any other Indian or foreign lending institutions or persons, firms, bodies corporate, or any other person on such terms and conditions and with or without security as it may in its discretion think fit;

(ii) to do all the necessary acts, deeds things as may be required for the purpose to avail borrowing facilities and to create security on the assets of the Company w.r.t. such facilities;

(iii) to authorize various officials of the Company to open, operate, and close bank accounts of the Company either electronically (E-net/net banking) and/or by way of manual/physical submission of documents w.r.t. borrowing facilities.

During the year, five (5) meetings of the Board Committee for Loans were held on 13.5.2024, 20.11.2024, 14.1.2025, 22.1.2025 and 4.3.2025. Necessary quorum was present at all the aforesaid meetings. The Composition of the Board Committee for Loans and details of the meetings attended by its members are given below : -

Names of Committee Members	Category	Meetings Attended
Mr. Krishnakumar Srinivasan, Chairperson	Managing Director & CEO	5
Ms. Meenakshi Dass, Member	Non-Executive Non-Independent Director	5
Mr. Luv Deepak Shriram , Member	Whole-time Director	5

Mr. Pankaj Gupta, Company Secretary acts as the Secretary of the Board Committee for Loans.

G. Independent Directors' Meeting

In accordance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015, a meeting of the Independent Directors of the Company was held on March 12, 2025, without the attendance of Non-Independent Directors and members of the management. The IDs, inter alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of Executive and Non-Executive Directors.

IV. GENERAL BODY MEETINGS

A. Details of General Meetings

a) Annual General Meeting (AGM)

Date and venue of the last three Annual General Meetings:

Details of Meeting (Financial year)	Date of Meeting	Time of Meeting	Venue of Meeting
58th Annual General Meeting (2021-22)	June 29, 2022	4.00 P.M.	AGMs were held through Video Conferencing (VC) /Other Audio Visual Means (OAVM). The deemed venue of the meetings were Registered Office of the Company i.e. 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi -110 001
59th Annual General Meeting (2022-23)	July 6, 2023		
60th Annual General Meeting (2023-24)	July 24, 2024		

b) Extraordinary General Meeting (EGM)

No extraordinary general meeting of the members of the Company was held during the FY 2024-25.

c) Special Resolution in the previous three Annual General Meeting

At the AGM held on July 24, 2024, five (5) Special Resolutions were passed as follows:

(i) Re-appointment of Mr. Shinichi Unno (DIN: 09189521) as Non-Executive Independent Director for a second term of 5 (five) consecutive years commencing from 29.7.2024 to 28.7.2029 (both days inclusive)

(ii) Re-appointment of Mr. Hari Shanker Bhartia (DIN: 00010499) as Non-Executive Independent Director for a second term of 5 (five) consecutive years commencing from 31.3.2025 to 30.3.2030 (both days inclusive

(iii) Appointment of Ms. Tina Trikha (DIN: 02778940) as Non-Executive Independent Director of the Company for a period of 5 (five) years effective from 13.5.2024 to 12.5.2029 (both days inclusive)

(iv) Re-appointment of Mr. Krishnakumar Srinivasan (DIN: 00692717) as the Managing Director & Chief Executive Officer ("MD & CEO") of the Company and Scheme of Advance to MD & CEO

(v) Approval of the payment of 0.60% of the profit commission to the Chairman for the Financial Year 2024-25.

At the AGM held on July 6, 2023, two (2) Special Resolutions were passed as follows:

(i) Approval for authorisation for the creation of security on the properties of the Company in favour of the lender under section 180(1)(a) of the Companies Act, 2013;

(ii) Approval for authorisation for payment of profit commission of 0.60% to the Chairman for the financial year 2023-24.

At the AGM held on June 29, 2022, four (4) Special Resolutions were passed as follows:

(i) Approval for authorisation for payment of profit commission of 0.60% to the Chairman for the financial year 2022-23;

(ii) Approval for implementation of 'SPR Employees' Stock Option Plan 2022 ('ESOP 2022') and for grant of options to the eligible employees of the Company;

(iii) Approval for setting up of an ESOP Trust and acquisition of equity shares from the secondary market by the Trust for the implementation of ESOP 2022;

(iv) Approval for extending financial assistance/ provisioning of money by the Company to the ESOP Trust to fund the acquisition of the equity shares of the Company, in terms of ESOP 2022.

B. Postal Ballot

The Board of Directors in its meeting held on 28.3.2024, had approved the notice of postal ballot through which the Company had sought the approval of the members by way of Special Resolution for Re-appointment of Ms. Ferida Avnish Chopra (DIN: 08415847) as Non-Executive Independent Director for a second term of 5 (five) consecutive years commencing from 30.3.2024 to 29.3.2029 (both days inclusive).

The aforesaid resolution was duly passed and the results of which was announced on 9.5.2024.

CS Vineet K Chaudhary (M.No. FCS 5327 and CP No. 4548), Managing Partner of M/s VKC & Associates, Company Secretaries, and in his absence, CS Mohit K. Dixit (M.No. FCS 12361 and CP No. 17827), Partner of M/s VKC & Associates, Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner. Details of the voting pattern are provided below:

Resolution passed through postal ballot	Votes in favour of the resolution			Votes against the resolution			Invalid votes	
	Number of members voted	Number of valid Votes cast (Shares)	Percentage of total number of valid votes cast	Number of members voted	Number of valid votes cast (Shares)	Percentage of total number of valid votes cast	Total number of members whose votes were declared invalid	Total number of invalid votes cast (Shares)
Re-appointment of Ms. Ferida Avnish Chopra (DIN: 08415847) as Non-Executive Independent Director for a second term of 5 (five) consecutive years commencing from 30.3.2024 to 29.3.2029 (both days inclusive)	163	3,42,33,251	99.9447	9	18,942	0.0553	-	-

Procedure for postal ballot: The postal ballot was carried out as per the provisions of Sections 108, 110 and other applicable provisions of the Act, read with the Rules framed thereunder and the General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 and 9/2023 dated September 25, 2023, and subsequent circulars issued in this regard, by the Ministry of Corporate Affairs.

Details of special resolution proposed to be conducted through postal ballot: None of the business proposed to be transacted at the ensuing AGM requires passing of the special resolution through postal ballot.

V. MEANS OF COMMUNICATION

The Company recognizes the importance of two-way communication with Shareholders and of giving a balanced reporting of results and progress. Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial

performance is at the core of good governance. Towards this end, major steps taken are as under:

Financial Results: The quarterly, half-yearly and yearly financial results of the Company are generally published in two newspapers i.e. 'Financial Express' (English) & 'Jansatta' (Hindi), and are also submitted the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) within the statutory time period from the conclusion of the Board Meeting(s) at which these were considered and approved.

Other Information: The Company discloses to the stock exchanges, all information required to be disclosed under Regulation 30 read with Part 'A' and Part 'B' of Schedule III of the SEBI Listing Regulations, 2015, including material information having a bearing on the performance/ operations of the Company and other price sensitive information. All information is being filed electronically on the online portal of NSE's Electronic Application Processing System (NEAPS) and BSE's Listing Centre.

Website: The Company's website https://shrirampistons.com/investors-guide-2/ contains a separate section "Investor's Guide" where information for shareholders is available. The Quarterly/Annual Financial Results, annual reports, investors/ analysts presentations, investor forms, stock exchange information, shareholding pattern, corporate governance, corporate benefits, polices, investors' contact details, updated credit ratings, etc., are posted on the website in addition to the information stipulated under Regulation 46 of the SEBI Listing Regulations, 2015.

Analysts/Institutional Investors Presentations: During the year under review, eight (8) earnings call or meeting/interaction with analysts/institutional investors occurred. All official news/press releases and presentations made to analysts/institutional investors, as submitted by the Company to the stock exchanges i.e. NSE and BSE, are readily accessible on the Company's website at https://shrirampistons.com/investors-guide-2/ under "Investor Relations" tab. Additionally, audio recordings and transcripts of post-earnings/quarterly calls (wherever applicable) are diligently submitted to NSE and BSE and promptly uploaded on the Company's website in compliance with SEBI Listing Regulations, 2015.

VI. GENERAL SHAREHOLDER INFORMATION

(i)	**Annual General Meeting for FY 2024-25** Date & Day Time Mode & Venue	 **August 1, 2025 (Friday)** 4:00 P.M.(IST) AGM will be convened through Video Conferencing/ Other Audio Visual Means (OAVM) at the Company's Registered Office i.e 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi -110 001 (Deemed Venue)
(ii)	**Financial Year**	1st April to 31st March
(iii)	**Year Ending**	March 31, 2025
(iv)	**Financial Calendar (tentative) for Results of:** Quarter ending June, 2025 Quarter ending September, 2025 Quarter ending December, 2025 Quarter ending March, 2026	 First week of August, 2025 Last week of October, 2025 Last week of January, 2026 Second week of May, 2026
(v)	**Book Closure date**	26.7.2025 to 1.8.2025 (both days inclusive)
(vi)	**Dividend Payment date**	Final Dividend shall be paid on or before 30.8.2025 (if declared at the 61st AGM to be held on 1.8.2025)
(vii)	**Name and Address of Stock Exchange at which Company's securities are Listed**	**1. National Stock Exchange of India Limited (NSE)** Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai-400051 2. **BSE Limited (BSE),** Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001
(viii)	**Listing fee**	The Company has paid listing fees to NSE and BSE and there is no outstanding payment as on date
(ix)	**Stock Code** National Stock Exchange of India Limited (NSE) BSE Limited (BSE)	 SHRIPISTON 344544
(x)	**ISIN of the Company's shares in Demat form**	INE526E01018 (with NSDL and CDSL)

(xi) The Company's shares were not suspended from trading during the financial year under review.

(xii) Registrar and Share Transfer Agents

Name and address: Alankit Assignments Limited
Alankit House, 205-208, Anarkali Complex,
Jhandewalan Extension, New Delhi – 110 055,
Ph. No. 011-42541234
E-mail : info@alankit.com
Website: https://www.alankit.com/

(xiii) Place for Acceptance of documents

Documents will be accepted at:

Alankit Assignments Limited (Company's RTA)
Alankit House, 205-208, Anarkali Complex,
Jhandewalan Extension, New Delhi – 110 055,
Ph. : 011-42541234

Shriram Pistons & Rings Limited
Registered Office: 3rd Floor, Himalaya House,
23, Kasturba Gandhi Marg,
New Delhi-110 001
Ph.: 011-23315941
E-mail:compliance.officer@shrirampistons.com

(xiv) Share Transfer System

Trading in equity shares of the Company through the recognized stock exchange(s) is permitted only in dematerialised form. Request for transmission/dematerialisation of shares in physical form is normally processed within 12 to 15 days from the date of receipt if the documents are complete in all respect.

The Securities and Exchange Board of India (SEBI) with effect from 1st April 2019, has barred the physical transfer of shares of listed companies and mandated transfers only in demat mode.

Further, in terms of Regulation 40(1) of SEBI Listing Regulations, 2015, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form. Pursuant to the SEBI Circular dated January 25, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialization request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to the Suspense Escrow Demat account on submission of necessary documentation.

(xv) Distribution of Shareholding

(a) Class-wise Distribution of Equity Shares as of March 31, 2025

Class of Shares	Distribution of Shareholding	Number of shareholders	Percentage of shareholding
Equity Shares	**Upto 500**	42,200	96.33
	501-1000	728	1.66
	1001-2000	337	0.77
	2001-3000	130	0.30
	3001-4000	73	0.17
	4001-5000	59	0.13
	5001-10000	150	0.34
	10001 and above	131	0.30
	Total	**43,808**	**100.00**

(b) Shareholding Pattern as of March 31, 2025

S. No	Particulars	Number of shares	Percentage
1.	Promoter and Promoter Group	1,92,73,106	43.75
2.	Insurance Companies	26,88,411	6.10
3.	Mutual Funds	14,79,322	3.36
4.	Alternate Investment Funds	16,25,277	3.69
5.	Foreign Portfolio Investor (Category I & II)	23,37,609	5.30
6.	Foreign Bodies Corporate	93,84,114	21.30
7.	Indian Body Corporate	11,64,493	2.64
8.	Individuals	52,22,879	11.86

S. No	Particulars	Number of shares	Percentage
9.	**Any other:**		
	Non Residents	2,91,662	0.66
	Clearing Members	1,79,359	0.41
	HUF	2,07,336	0.47
	IEPF	36,519	0.08
	Employees	452	0.00
	Trust	13,917	0.03
	LLP	1,45,368	0.33
	Total	**4,40,49,824**	**100.00**

(xvi) Dematerialization of shares and liquidity

Trading in the Equity Shares of the Company is permitted only in dematerialized form by all categories of Investors. The electronic holding of the shares by members comprises 99.99% (previous year – 89.34%) of the paid-up equity share capital of the Company as of March 31, 2025, held through National Securities Depository Ltd. (93.72% holding) and Central Depository Services (India) Ltd. (6.28% holding). ISIN allotted to the Company's equity shares is INE526E01018.

(xvii) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion dates and likely impact on equity.

As of 31.3.2025, the Company has no outstanding GDR/ADR or warrants or any other convertible instruments.

(xviii) Corporate Identification Number: L29112DL1963PLC004084

(xix) Plant Location: The Company's plants are located at: -

(a) A-4 & A-5, Industrial Area, Meerut Road, Ghaziabad, Uttar Pradesh - 201003, India
(b) B-7, Site I, Industrial Area, Bulandshahr Road, Ghaziabad, Uttar Pradesh – 201009, India
(c) SP-1/892 & 893, RIICO Industrial Area, Pathredi, District Alwar, Rajasthan – 301707, India
(d) Assembly units are located at Gurugram, Pune, Hosur, Karsanpura and Sahibabad, India

(xx) Investors' correspondence may be addressed to:

Company Secretary
Shriram Pistons & Rings Limited
3rd Floor, Himalaya House,
23, Kasturba Gandhi Marg, New Delhi – 110 001
Ph.: 011-23315941
E-mail:compliance.officer@shrirampistons.com

Registrar & Share Transfer Agents
Alankit Assignments Limited (Company's RTA)
Alankit House, 205-208, Anarkali Complex,
Jhandewalan Extension, New Delhi – 110 055,
Ph.: 011-42541234
E-mail: info@alankit.com

(xxi) Credit ratings obtained by the Company:

During the financial year 2024-25, the Company has obtained credit ratings from India Ratings and Research (Ind-Ra) (a Fitch Group Company) for its credit facilities, the details of which are as follows:

Instrument Type	Maturity Date	Size of Issue (Million)	Rating/ Outlook	Rating Action
Long-Term Issuer Rating	-	-	IND AA/Positive	Affirmed; Outlook revised to Positive from Stable
Fund-based working capital limit	-	INR 500	IND AA/Positive	Assigned
Fund-based working capital limit	-	INR 1,500	IND AA/Positive	Affirmed; Outlook revised to Positive from Stable
Non-fund-based working capital limit	-	INR 2,000	IND A1+	Affirmed; Outlook revised to Positive from Stable
Fixed deposit*	1-2 years	INR 405	WD	Withdrawn
Term loan	30 September 2028	INR1,100.8 (reduced from INR 1,500)	IND AA/Positive	Affirmed; Outlook revised to Positive from Stable
** Fixed deposit of INR 405 million has been fully repaid.*				

The above ratings have been assigned/ affirmed/ re-affirmed by the Ind-Ra for the financial year ended March 31, 2025. The same is also available on the Company's website at https://shrirampistons.com/investors-guide-2/.

(xxii) Disclosures with respect to demat suspense account/ unclaimed suspense account

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, 2015, details of equity shares in the suspense account are as follows:

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2024	62	3853
Shareholders who approached the Company for the transfer of shares from suspense account during the year	Nil	Nil
Shareholders to whom shares were transferred from the suspense account during the year	Nil	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2025	62	3853

The voting rights on the shares outstanding in the suspense account as of March 31, 2025, shall remain frozen till the rightful owner of such shares claims the shares.

(xxiii) Online Dispute Resolution Portal (SMART ODR)

SEBI vide its Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated 31st July 2023 (subsumed as part of the SEBI Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated 28th December 2023) have issued a Circular for online resolution of disputes in the Indian securities market.

With the said Circular, the existing dispute resolution mechanism in the Indian securities market is being streamlined under the aegis of Stock Exchanges and Depositories by expanding their scope and establishing a common Online Dispute Resolution Portal (ODR Portal) which harnesses online conciliation and online arbitration for the resolution of disputes arising in the Indian securities market.

The said Circular, inter alia, details about the following key aspects:

(i) Investors, listed companies, specified intermediaries, and regulated entities have been covered under the ambit of ODR Portal;

(ii) Introduction of a common ODR Portal;

(iii) Process for initiation of the dispute resolution process on ODR Portal;

(iv) Procedure for conciliation and arbitration, its form of proceedings and fees & charges thereto; and

(v) Roles and responsibilities of Market Infrastructure Institutions like Stock Exchanges and Depositories and Market Participants like listed entity and RTA.

The aforesaid Circular issued by SEBI in this regard can be accessed on the Company's website at https://shrirampistons.com/investors-guide-2/ under **"Online Dispute Resolution (ODR) Portal"** tab. Further, the shareholders can access the ODR Portal at https://smartodr.in/login.

VII. DISCLOSURES

(i) Related Party Transactions

All contracts/arrangements/transactions entered into by the Company with related parties during the financial year 2024-25, were in the ordinary course of business and on an arm's length basis. The related party transactions undertaken by the Company complied with the provisions set out in the Act, read with the rules issued thereunder and Regulation 23 of the SEBI Listing Regulations, 2015.

During the financial year 2024-25, the Audit Committee has approved related party transactions along with granting omnibus approval valid for a period not exceeding one year in line with the policy of the Company on materiality of Related Party Transactions and dealing with related party transactions and the applicable provisions of the Act, read with the Rules issued thereunder and the SEBI Listing Regulations, 2015 (including any statutory modification (s) or re-enactment (s) thereof for the time being in force).

The Audit Committee reviews on a quarterly basis the details of related party transactions entered into by the Company pursuant to the omnibus approval given. The Company had not entered into any materially significant related party transaction and none of the related party transactions entered into have any potential conflict with the interest of the Company. The Policy on the materiality of Related Party Transactions and on dealing with such

Related Party Transactions as approved by the Board of Directors has been uploaded on the Company's website at https://shrirampistons.com/. As per the SEBI Listing Regulations, 2015, the Company has also submitted the disclosures of Related Party transactions to the Stock Exchanges in the prescribed format and also published it on the website of the Company.

(ii) No penalties or strictures were imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to capital markets, during the last three years.

(iii) The Company has established the Vigil Mechanism/Whistle Blower Policy of the Company in line with Section 177(9) & (10) of the Act and in accordance with Regulation 22 of SEBI Listing Regulations, 2015 and other applicable SEBI Regulations, enabling employees to report insider trading violations as well as reporting of instances of leak of Unpublished Price Sensitive Information and has established the necessary vigil mechanism for directors and employees to report their genuine concerns. No personnel have been denied access to the audit committee. This mechanism provides for adequate safeguards against the victimization of director(s) /employee (s) or any other person, who avail the said mechanism and also provides for direct access to the Chairman of the audit committee in exceptional cases. The policy with the name and address of the Chairman of the Audit Committee has been communicated to the employees by uploading the same on the website of the Company. The employees can directly contact the Chairman of the Audit Committee on the email address as mentioned in the 'Vigil Mechanism/Whistle Blower Policy' uploaded on the Company's website at https://shrirampistons.com/ During the financial year 2024-25, the Company has not received any instances of genuine concerns from Directors or employees.

(iv) The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations, 2015.

(v) The Company has complied with all the mandatory requirements as applicable to it along with compliance with the requirements of Part C (sub paras 2 to 10) of Schedule V of the SEBI Listing Regulations, 2015.

(vi) Details of Compliance with Mandatory Requirements & adoption of the non-mandatory requirement/Discretionary Requirements as specified in Part E of Schedule II:

(a) Mandatory Requirements – All requirements have been complied with.

(b) Non-mandatory requirements:

- The Board of Directors of the Company, in their meeting held on 24.7.2024 had approved a revision in payment towards shared usage for office at residence for Chairman w.e.f. 1.7.2024.
- The Internal Auditors of the Company i.e. Ernst & Young, RSM Astute, and the In-House Internal Audit Team have direct access to the Audit Committee and present its internal audit report to the Audit Committee.
- During the year under review, there is no audit qualification on the Company's financial statement. The Company continues to adopt best practices to ensure the regime of financial statements with unmodified audit opinion.

(vii) The Senior Management of the Company has made disclosures to the Board of Directors confirming that no material, financial and commercial transactions, have been entered into by them with the Company, where they have personal interest, which could have potential conflict of interest with the Company at large.

(viii) The Company has not adopted any alternative accounting treatment prescribed differently from the Accounting Standard (AS)/ Indian Accounting Standard (IND AS) laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

(ix) The Company has a Risk Management Committee for the risk assessment and to decide on minimization procedures. These procedures are periodically reviewed by the Risk Management Committee to ensure that executive management controls risk through means of a properly defined framework.

(x) Disclosure on Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The disclosure pertaining to exposure and Commodity risk is not applicable to the Company as no Commodity that is being dealt with is material.

To mitigate the risk of adverse or volatile exchange rates, the Company takes all possible steps to mitigate it by hedging of foreign exchange.

(xi) During the year, the Company has not raised any funds through preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of the SEBI Listing Regulations, 2015.

(xii) A certificate has been received by the Company from APAC & Associates LLP, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority(ies). (Annexed herewith as Annexure-A part of the report)

(xiii) There have been no instances in the Company, where the Board has not accepted any recommendation of any committee of the Board which is mandatorily required, during the financial year 2024-25.

(xiv) Walker Chandiok & Co, LLP, Chartered Accountants (ICAI Firm Registration No. 001076N/N500013) has been appointed as the Statutory Auditors of the Company. The details of fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor are part of, is given below:

S.No.	Name of the Entity	Relationship with Shriram Pistons & Rings Ltd.	Details of services	Amount (Rs. in Million)
1	Shriram Pistons & Rings Limited	-	Audit Fees	2.10
			Out of Pocket Expenses	0.50
			Limited Review/ Certifications	3.80
2	SPR Engenious Limited	Subsidiary (Wholly owned)	Audit Fees	0.23
			Out of Pocket Expenses	0.02
			Limited Review/ Certifications	0.23
3	SPR EMF Innovations Private Limited	Subsidiary (Step-down)	Audit Fees	0.35
			Out of Pocket Expenses	0.06
			Limited Review/ Certifications	0.30
4	SPR Takahata Precision India Private Limited	Subsidiary (Step-down)	Audit Fees	0.50
			Out of Pocket Expenses	0.14
			Limited Review/ Certifications	0.95
5	SPR TGPEL Precision Engineering Limited	Subsidiary (Step-down)	Audit Fees	1.40
			Out of Pocket Expenses	-
			Limited Re-view/ Certifications	-

(xv) The Company has zero tolerance for sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed there under. An Internal Complaints Committee (ICC) has been set up under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary trainees) are covered under this policy.

The disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a) Number of complaints filed during the financial year: Nil

b) Number of complaints disposed of during the financial year: Nil

c) Number of complaints pending as on end of the financial year: Nil

(xvi) Subsidiary Companies: Regulation 24 of the SEBI Listing Regulations, 2015

The Audit Committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the Board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

Based on the financial statements for the FY 2024-25, SPR Engenious Limited (SEL) has been classified as the "material subsidiary" in terms of Regulation 16(1)(c) and Regulation 24(1) of SEBI Listing Regulations, 2015, as on date of this report. Accordingly, Ms. Ferida Avnish Chopra (DIN: 08415847), Independent Director of the Company has been appointed as Independent Director on the Board of SEL w.e.f. May 7, 2025.

Policy for determining Material Subsidiaries and Policy on Related Party Transactions are available on the Company's website www.shrirampistons.com under the link "Investors Guide"

(xvii) Details of Material Subsidiaries of the Company, including the date and place of incorporation and the name and date of appointment of statutory auditors of such subsidiaries.

Name of Subsidiary	Date and Place of incorporation	Name of Statutory Auditors	Date of Appointment
SPR Engenious Limited	26.9.2022 New Delhi, India	Walker Chandiok & Co, LLP	4.7.2023

(xviii) Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested:

During the year under review, the Company had made Loans, Advances, Guarantees or Investments to companies in which directors are interested, details of which are as follows:

(Amount in Rs. in Million)

Name of Company	Nature of Transaction	Loans	Investment
SPR Engenious Limited (SEL)	Equity Infusion	-	2500

(xix) No agreements of the nature as stated in Clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations, 2015, have been entered into.

VIII. CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct ("Code") for all board members and senior management personnel of the Company. The said Code incorporated the duties of directors including independent directors as laid down in the Act and is available on the website of the Company under the link https://shrirampistons.com/investors-guide-2/.

All board members and senior management personnel have affirmed the compliance with the Code applicable to them during the year ended on 31.3.2025. The Annual Report of the Company contains a Declaration by the Managing Director in terms of SEBI Listing Regulations, 2015, based on the affirmations received from the board members and senior management personnel.

IX. INSIDER TRADING

The Company has in place a Code of Conduct for the Prevention of Insider Trading (Code of Conduct to Regulate Monitor and Report Trading by Designated Persons) and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015 (Regulations).

Web link for Code of Conduct for Prevention of Insider Trading & Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is https://shrirampistons.com/investors-guide-2/

The Code of Conduct for Prevention of Insider Trading lays down guidelines advising the management, staff and other connected persons, and procedures to be followed and disclosures to be made by them while dealing with the shares of the Company and cautioning them of the consequences of violations.

Pursuant to the amendments made by SEBI in the said Regulations, the Company has also adopted a Procedure of Inquiry in Case of Leak of Unpublished Price Sensitive Information (UPSI) through its policy. The policy is formulated to maintain ethical standards in dealing with sensitive information of the Company by persons who have access to UPSI. The rationale of the policy is to strengthen the internal control systems to ensure that the UPSI is not communicated to any person except in accordance with the Insider Trading Regulations. The Policy also provides an investigation procedure in case of leak/ suspected leak of UPSI.

X. RECONCILIATION OF SHARE CAPITAL AUDIT

A Company Secretary in practice carries an audit for Reconciliation of Share Capital of the Company to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL)(collectively referred to as 'Depositories') and the total issued and listed equity share capital. The audit report confirms that the total issued and paid-up capital is in agreement with the total number of shares in physical form and dematerialized form held with NSDL and CDSL. The said Audit Report was disseminated to the stock exchanges on quarterly basis well within the stipulated time limit as prescribed in this regard.

XI. SUBMISSION OF QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE

The Company has submitted a quarterly compliance report on corporate governance, duly signed by the Company Secretary and Compliance Officer of the Company, to the stock exchanges i.e. NSE and BSE wherein the shares of the Company are listed and was also placed before the Board of Directors of the Company.

XII. CEO AND CFO CERTIFICATION

As required under Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations, 2015, the Managing Director & CEO, and Chief Financial Officer of the Company have given appropriate certifications for the financial year 2024-25 and the same was placed before the Board of Directors of the Company in its meeting held on 7.5.2025.

XIII. TRANSFER OF UNCLAIMED DIVIDEND/SHARES TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to IEPF.

Further, all the shares in respect of which the dividend has remained unclaimed for seven consecutive years or more from the date of transfer to the unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends reminders to the shareholders to claim their dividends in order to avoid the transfer of dividends/shares to the IEPF Authority. The details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website https://shrirampistons.com/investors-guide-2/.

The details of unclaimed dividends and shares transferred to IEPF during FY 2024-25 are as follows:

Financial Year	Amount of unclaimed dividend transferred	No. of shares transferred
2016-17 (Final Dividend)	76,588	Nil
2017-18 (Interim Dividend)	23,992	1,579

Process for claiming shares & dividend from IEPF

The claimants are advised to first approach the Company for an entitlement letter along with all the required documents before filing of claim application with the IEPF Authority.

Accordingly, once the Company has received and verified all the requisite documents, it will then issue an entitlement letter duly signed by the Nodal Officer of the Company along with all the required details to file web form IEPF-5 within a period of 30 days. The claimants shall thereafter file web form IEPF-5 with the IEPF Authority along with an entitlement letter and other supporting documents.

The claimants shall then submit the self-attested copy of form IEPF-5, its acknowledgement, and duly executed Indemnity Bond in an envelope marked as **"Claim for refund from IEPF Authority"** at the registered office address of the Company in the name of the "Nodal Officer of the Company", to enable the Company to file the e-verification report of the claim within the prescribed timeline of 30 days.

The said process reduces the instance of claim applications being rejected by the Company/IEPF Authority on account of incomplete and/or non-receipt of required documents.

Details of Nodal Officer:

The details of the Nodal Officer appointed by the Company under the provisions of the act and IEPF Rules, 2016 are given below and the same is disseminated on the website of the Company https://shrirampistons.com/investors-guide-2/.

Name of the Company Secretary designated as Nodal Officer	Mr. Pankaj Gupta
Phone No.	+91 11-2331 5941
Email ID	pankaj.gupta@shrirampistons.com
Address	Registered Office: 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi -110 001

XIV. AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

Auditor's Certificate on compliance of conditions of Corporate Governance is enclosed herewith as Annexure-B and forms part of this report.

For and on behalf of the Board of Directors

(Pradeep Dinodia)
Chairman
DIN: 00027995

New Delhi
May 07, 2025

DECLARATION ON COMPLIANCE OF CODE OF CONDUCT

In compliance of Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have laid down a Code of Conduct to be observed and implemented by all Directors and Senior Management Personnel of the Company in their official day-to-day activities.

In compliance of Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Directors and Senior Management Personnel of the Company have affirmed to the Company that they have complied and implemented the Company's Code of Conduct in discharging their official day-to-day activities for the F.Y.E. March 31, 2025.

New Delhi
May 07, 2025

(Krishnakumar Srinivasan)
Managing Director & CEO
DIN: 00692717

Annexure-A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
Shriram Pistons & Rings Ltd.
3rd Floor, Himalaya House,
23 Kasturba Gandhi Marg, New Delhi-110001

We have examined the relevant registers, records, forms, returns, and disclosures received from the Directors of Shriram Pistons & Rings Limited having CIN L29112DL1963PLC004084 and having Registered Office at 3rd Floor, Himalaya House, 23 Kasturba Gandhi Marg, New Delhi – 110001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2025, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name	DIN	Date of Appointment in Company	Date of Cessation
1	Mr. Krishnakumar Srinivasan	00692717	11/02/2020	-
2	Mr. Pradeep Dinodia	00027995	16/05/2003	-
3	Ms. Ferida Avnish Chopra	08415847	30/03/2019	-
4	Ms. Tina Trikha	02778940	13/05/2024	-
5	Mr. Hari Shanker Bhartia	00010499	27/01/2009	-
6	Mr. Shinichi Unno	09189521	31/05/2021	07/05/2025
7	Ms. Meenakshi Dass	00524865	28/03/2009	-
8	Mr. Luv Deepak Shriram	00051065	01/04/2009	-
9	Mr. Yasunori Maekawa	06952173	13/05/2024	-
10	Mr. Shigeto Muno (Alternate Director to Mr. Yasunori Maekawa)	10666395	12/06/2024	-
11	Mr. Klaus Semke	10133032	01/05/2023	-
12	Mr. Alexandru Vladoi (Alternate Director to Mr. Klaus Semke)	10381503	06/11/2023	31/03/2025

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For APAC & Associates LLP
Company Secretaries,
ICSI Unique Code.: P2011DE025300
Peer Review Cert. No.: 3688/2023 valid till 30.06.2028

Chetan Gupta
Managing Partner
Membership No.: F6496
COP No.: 7077
UDIN: F006496G000292751

Place: New Delhi
Date: May 07, 2025

Annexure-B

CERTIFICATE ON CORPORATE GOVERNANCE COMPLIANCES

To
The Members
Shriram Pistons & Rings Ltd.
(CIN: L29112DL1963PLC004084)
3rd Floor, Himalaya House,
23 Kasturba Gandhi Marg, New Delhi-110001

We have examined the compliance of conditions of corporate governance by Shriram Pistons & Rings Ltd. ("the Company") as stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for the financial year ended March 31, 2025.

Management's Responsibility:

The compliance of the conditions of corporate governance is the responsibility of the Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility:

Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring the compliance with conditions of the Corporate Governance. This is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations for the year ended on March 31, 2025.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on Use:

The certificate is addressed and provided to the Members of the Company solely for the purpose to enable the Company to comply with the requirements of the SEBI Listing Regulations and it should not be used by any other person or for any other purpose.

Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For APAC & Associates LLP
Company Secretaries,
ICSI Unique Code.: P2011DE025300
Peer Review Cert. No.: 3688/2023 valid till 30.06.2028

Chetan Gupta
Managing Partner
Membership No.: F6496
COP No.: 7077

UDIN: F006496G000292751

Place: New Delhi
Date: May 07, 2025

ANNEXURE - II TO BOARDS' REPORT

REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENT

The expansion of the domestic automobile market is closely tied to t¬he broader economic growth and the resulting rise in income levels among the population.

During the fiscal year 2024-25, production in various vehicle segments experienced growth as detailed below: -

Vehicle Segment	Production Change (in %)
Passenger Vehicles	3
Medium & Heavy Commercial Vehicles	(2)
Light Commercial Vehicles	1
Two wheelers	10
Small Commercial Vehicles	(7)
Tractors	6

However, in the case of Medium & Heavy Commercial Vehicles and Small Commercial Vehicles, there was a contraction in demand.

The Company's export revenue was at Rs. 4,840 Million, compared to Rs. 5,182 million in the previous year. This is due to the ongoing geopolitical issues, including Russia-Ukraine and Israel-Hamas tensions, high interest rates, and foreign exchange issues.

2. OPPORTUNITIES

The Indian automobile sector presents a significant opportunity for growth, driven by a burgeoning middle class, increasing urbanization, and enhanced connectivity across the country. With a young demographic profile and a rising disposable income, India's appetite for vehicles is expanding, offering a vast market for both domestic and international automakers. The government's push towards electric vehicles (EVs) and sustainable transportation, coupled with incentives for manufacturing and infrastructure development, further bolsters the sector's prospects. Additionally, advancements in technology and the growing acceptance of shared mobility are creating new avenues for innovation and investment.

The Indian automobile industry is also witnessing a transformative shift towards digitization and automation, opening up a plethora of opportunities for companies to innovate and cater to a tech-savvy consumer base. Stakeholders who are agile and responsive to these changes, and who can effectively leverage India's strengths, such as its skilled workforce, robust supply chain, and large domestic market, will be well-positioned to capitalize on the opportunities that lie ahead.

The integration of digital technologies in vehicles, such as connected car features, advanced driver-assistance systems (ADAS), and in-car infotainment, is becoming increasingly prevalent. This digital evolution is not only enhancing the driving experience but also paving the way for the development of smart mobility solutions. As a result, companies that invest in research and development (R&D) and embrace these technological trends are likely to gain a competitive edge in the market.

The Indian government's initiatives, such as the Automotive Mission Plan and the National Electric Mobility Mission Plan, aim to promote sustainable growth in the automotive sector and envisage India as a global manufacturing powerhouse. These initiatives are designed to attract foreign direct investment (FDI) and encourage collaborations between Indian and international players. The focus on building a comprehensive EV ecosystem, including battery manufacturing and charging infrastructure, presents additional opportunities for growth and collaboration.

The aftermarket segment in India is another area with potential, as the vehicle population ages and the demand for maintenance, repairs, and customization grows.

Despite headwinds such as high fuel costs, increasing interest rates, and geopolitical tensions, the resilience of the Indian automotive industry is noteworthy. The medium to long-term outlook remains promising, with the growth of the automotive components industry anticipated to reflect the upward trend in vehicle production and the aftermarket sector.

The persistent demand for both personal and public transportation is underpinned by favourable factors, including expected normal monsoon patterns and increased financial accessibility, especially in rural regions. These elements are projected to stimulate further demand.

The Company is proactively engaging with leading Original Equipment Manufacturers (OEMs) to enhance its market share through innovative technology solutions. It is also refining its distribution network in the aftermarket and boasts a comprehensive market presence across various segments, including Commercial Vehicles, Cars/SUVs, Two & Three wheelers, Tractors, Off-highway vehicles, and Industrial Engines, catering to both OEMs and the Aftermarket. To augment operational agility, the Company is adapting its capacities to be interchangeable across different product segments.

In a strategic move to diversify and mitigate risk, the Company is exploring opportunities in non-automotive sectors such as compressors, marine engines, and snowmobile applications. Additionally, the Company is focused on increasing the sales of its recently acquired entities, SPR EMF Innovations Private Limited, SPR Takahata Precision India Private Limited and SPR TGPEL Precision Engineering Ltd.

On the international front, in the long-term, exports are expected to rise as India cements its position as a key auto exporter. The 'China plus one' strategy is likely to sustain this growth momentum. The Company is not only supplying to top-tier global OEMs with support from its Technology Partners but has also established a robust distribution network for aftermarket sales in various countries. Nevertheless, the Company remains vigilant of global economic fluctuations and geopolitical unrest, which pose considerable challenges to its export market performance.

The Company is navigating a landscape filled with both opportunities and challenges. By leveraging its strategic partnerships, diversifying its portfolio, and capitalizing on India's growing role in the global automotive market, the Company is well-positioned to harness the potential for growth in the coming fiscal year and beyond.

3. THREATS

The fiscal year 2024-25 proved to be a strenuous period for the Indian economy, which faced an array of economic challenges that led to a deceleration in GDP growth compared to the previous year. The confluence of rising interest rates and persistent inflation created a challenging environment for businesses and consumers alike, reshaping market dynamics and tempering economic activity. As the Company looks toward FY 2025-26, it is acutely aware of the ongoing economic volatility and its capacity to disrupt operations. Exchange rate fluctuations, stemming from global economic instability and intense market competition, pose a significant threat to the Company's financial health. In response, the Company is fortifying its financial strategies, employing hedging techniques, broadening its currency portfolio, and enhancing fiscal management to buffer against the unpredictability of forex markets.

Adapting to the changing consumer landscape, the Company is recalibrating its operational focus. This recalibration is centered on a persistent commitment to achieving quality excellence, with an emphasis on zero defects, bolstered product traceability for heightened accountability, and a push towards digitization to optimize operational efficiency. The integration of advanced automation technologies is expected to elevate productivity, while comprehensive cost-reduction initiatives are being rigorously applied to safeguard the Company's competitive edge and financial margins.

The government's advocacy for electric vehicles (EVs) through various incentives marks a positive stride for the industry; however, the Company is cognizant of the hurdles impeding the widespread adoption of EVs. Challenges such as the scarcity of charging infrastructure, constrained domestic production of batteries and motors, the premium cost structures of EVs, and ongoing safety concerns could potentially hinder the pace of e-mobility adoption, particularly within the Passenger and Commercial Vehicle segments that are integral to the Company's business model.

In preparation for the industry's transition towards e-mobility, the Company is actively tracking market trends and forging strategic alliances with international partners to secure a technological and supply chain advantage. These partnerships are designed to bolster the Company's preparedness for the burgeoning EV market and to address the evolving needs of the automotive sector.

With a forward-looking perspective, the Company has made deliberate investments in the e-mobility domain, seeking out synergistic partnerships with product and technology firms that resonate with its strategic vision. These investments are carefully planned to contribute to the Company's long-term resilience and expansion, striking a balance between immediate market demands and the anticipation of future industry shifts.

As the Company advances, it remains dedicated to fostering innovation, championing sustainability, and pursuing strategic growth. By remaining responsive to market indicators, adapting to consumer trends, and making judicious investments in emergent technologies, the Company is well-equipped to tackle the economic complexities and emerge as a stronger entity in FY 2025-26 and in the years to follow. The Company's proactive and adaptable approach is a demonstration to its commitment to not just weather the economic storms but to emerge from them with new strengths and opportunities for growth.

4. SEGMENT-WISE/ PRODUCT-WISE PERFORMANCE

The Company deals principally in only one segment i.e. automotive components. Therefore, segment-wise performance is not applicable.

5. OUTLOOK

The fiscal year 2024-25 presents a complex outlook for the automobile sector, with its trajectory influenced by a confluence of factors including geopolitical developments, persistent inflation, and evolving consumer preferences. Despite these headwinds, the long-term prospects for automobile production remain robust, buoyed by the growing demand for personal mobility, rapid urbanization, enhancements in road infrastructure, favourable agricultural conditions, and concerted efforts towards rural development.

The Company's strategic blueprint is anchored in several key pillars designed to navigate these challenges and capitalize on emerging opportunities:

Market Expansion: The Company is poised to consolidate its presence in the domestic market, broadening its product offerings and venturing into non-automotive segments to capture new business opportunities. Efforts are underway to augment the distribution network, ensuring wider reach and accessibility. Geographical diversification is also a priority, with a focus on penetrating emerging markets where the appetite for automotive components is escalating. In the Aftermarket, the Company is dedicated to expanding its product range and achieving deeper market penetration.

Innovation and Technology: A firm commitment to innovation and technological advancement underpins the Company's strategy. The Company takes pride in manufacturing products that are at the forefront of technological advancement, ensuring that every aspect, from design to production, reflects the Company's commitment to innovation. Emphasis is placed on developing products that align with the industry's pivot towards electric vehicles and alternative greener fuels such as CNG, LNG, H-CNG, other flex fuels, and hydrogen.

Each product is crafted using state-of-the-art components and materials, which also enhance performance and durability. These technologically advanced features not only elevate the quality of the Company's offerings but also contribute to sustainability by significantly reducing the carbon footprint associated with the lifecycle of the products.

The Company's access to cutting-edge technology is complemented by four long-standing technology collaborations with prominent global leaders in the automotive components. These include collaboration with Kolbenschmidt Group for pistons, Honda Foundry for pistons specific to Honda requirements globally, Riken Corporation for rings production and with Fuji Oozx for engine valves.

By maintaining a pulse on technological trends, the Company is poised to address the dynamic needs of customers and secure a competitive advantage. Investments in state-of-the-art manufacturing technologies and processes are pivotal, enabling the delivery of sophisticated solutions that resonate with the market's direction.

By integrating cutting-edge technologies into its products, the Company is not only meeting the demands of modern consumers but also playing its part in fostering a more sustainable future.

Solidifying relationships: The Company's enduring relationships with global OEMs are a testament to its success. These strategic alliances have not only fortified the Company's domestic standing but have also paved the way for international

expansion. The Company's reputation for delivering quality, reliability, and innovation continues to be a linchpin in fostering these partnerships, establishing the Company as a preferred supplier for leading OEMs worldwide.

Operational Excellence: The pursuit of operational excellence is relentless, with a focus on refining manufacturing processes, curtailing costs, and elevating efficiency. Through operational streamlining, the Company aims to bolster its market competitiveness and enhance profitability.

Customer-Centric Approach: The Company is doubling down on its efforts to understand and meet the evolving needs of consumers. By leveraging data analytics and customer feedback, the Company is tailoring its products and services to deliver enhanced value and a superior customer experience. This customer-centric approach is critical in fostering brand loyalty and driving repeat business in a market where consumer preferences are rapidly changing.

Global Supply Chain Resilience: In an era marked by supply chain disruptions, the Company is working to build a more resilient and responsive supply chain network. This involves diversifying sourcing strategies, investing in supply chain technologies, and building stronger relationships with key suppliers. By enhancing supply chain agility, the Company can better manage risks associated with global trade uncertainties and maintain uninterrupted production.

Digital Transformation: The Company is accelerating its digital transformation journey, implementing tools and platforms that facilitate better decision-making and operational efficiency. From digital design and simulation in product development to automation in manufacturing and AI in quality control, the Company is harnessing the power of digital technologies to stay ahead of the curve.

Workforce Development: Recognizing that its workforce is a key driver of success, the Company is investing in talent development programs to enhance skills and foster a culture of continuous learning. Initiatives such as leadership training, technical upskilling, and cross-functional team collaborations are designed to empower employees and prepare them for the challenges of tomorrow.

Regulatory Compliance and Advocacy: As regulations become more complex, the Company is not only ensuring compliance but also actively participating in industry dialogues to shape policy outcomes. By engaging with regulators and industry bodies, the Company aims to advocate for policies that support innovation and sustainable growth in the automotive sector.

Financial Stability and Growth: The Company is maintaining a strong focus on financial health, optimizing capital allocation, and pursuing strategic investments that promise long-term returns. Prudent financial management, coupled with a clear vision for growth, positions the Company to capitalize on market opportunities and navigate economic cycles with resilience.

Community Engagement and CSR: Beyond its business operations, the Company is deeply committed to corporate social responsibility (CSR) and community engagement. Initiatives aimed at education, healthcare, environmental conservation, cultural and community development are integral to the Company's ethos, reflecting its dedication to making a positive impact on society.

Sustainable Development: The Company's commitment to sustainable development is steady, with sustainability principles integrated throughout its value chain. Significant strides have been made in the Company's ESG initiatives, with three plants achieving zero liquid discharge status and the implementation of advanced ETP and STP systems. The Company has also made commendable progress in reducing Scope I & II emissions by over 20% in a span of 3 years, increasing the mix of renewable energy sources such as solar and wind power by 20%, and enhancing the utilization of recycled materials by 30%.

With its strategic pillars firmly established, the Company is ready to navigate the complexities of the automotive components industry. Its focus on expanding the market, embracing innovation, maintaining strong relationships with OEMs, striving for operational excellence, and committing to sustainability sets the stage for continued growth and success. Looking ahead, the Company is confident that its well-rounded approach and flexible strategies will lead to a prosperous and environmentally responsible future in the automotive sector. By adding new strategic elements to its framework, the Company is not only addressing the challenges of the industry but is also becoming a leader in excellence, innovation, and corporate responsibility. This approach, which balances short-term business goals with long-term planning, positions the Company to succeed in the competitive automotive landscape.

6. RISK & CONCERNS

Risk is an inherent aspect of business, and the Company is no stranger to the challenges posed by a dynamic and competitive environment. The industry landscape is marked by relentless innovation and fluctuating resource availability, which can create disparities among market participants. The volatility in raw material costs, exacerbated by inflation, presents additional hurdles. However, the Company has demonstrated resilience through strategic raw material procurement and cost management, effectively managing the rise in manufacturing expenses.

The automotive industry, in particular, is grappling with the rising costs of essential materials such as steel, aluminium, copper, and precious metals. Fuel prices are climbing, and regulatory demands are intensifying. The sector must also adapt to rapid technological advancements, evolving consumer preferences, and the diminishing barriers to global trade, all of which could potentially constrain growth and squeeze profit margins.

External economic forces, including higher vehicle and fuel prices, increasing interest rates, and global economic uncertainties, are suppressing consumer demand. Yet, there is a silver lining: government initiatives promoting semiconductor production are poised to invigorate the industry.

In response to these multifaceted challenges, the Company's management has taken decisive action, implementing strategies to strengthen liquidity and profitability. These strategies encompass productivity improvements, reduction of rejections, digitization of operations, and a suite of cost-efficiency measures.

Despite the current headwinds, the medium to long-term prospects for the automotive sector are encouraging, fuelled by a growing preference for personal transportation. The Company has crafted a comprehensive risk mitigation strategy, ensuring a diversified presence in various market segments, including OEMs and the Aftermarket, as well as in both domestic and international markets.

With the support of its technology partners, the Company is well-positioned to satisfy the market's appetite for innovative products and to broaden its range of models and variants. The Company's ongoing investments in state-of-the-art technology and manufacturing infrastructure are anticipated to deliver substantial returns in the future.

While the Company recognizes that these risk factors could influence its profitability, it remains confident in its ability to navigate these challenges without jeopardizing its long-term viability. The Company's proactive and adaptive approach, combined with its diversified operations and technological prowess, provides a solid foundation for enduring success in the face of potential risks.

7. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has established a comprehensive internal control framework designed to authorize, document, and accurately report transactions, as well as to protect assets from unauthorized access or disposition. These control measures are critical for ensuring the reliability of financial data and information, as well as for upholding accountability for the Company's assets.

The Audit Committee, an integral part of the Board, actively engages in reviewing significant audit observations and the subsequent remedial measures. It also oversees the progress of management's responses to internal audit findings. The Internal Audit function, working in tandem with external auditors, has been instrumental in fortifying the Company's processes to boost efficiency and productivity. This includes the adoption of state-of-the-art analytical tools within the audit field to deepen the scope, extend coverage, and enhance precision.

The Company's internal financial controls over financial reporting are robust and effective, offering reasonable assurance across all financial and operational activities, as well as adherence to legal mandates. Comprehensive business planning, investment analysis, annual reviews, and regular financial and operational planning are embedded practices. Monthly performance tracking is a routine procedure for all operational and service departments.

The integration of Enterprise Resource Planning (ERP), supplier relationship management, and customer relationship management systems facilitates seamless communication across various locations, dealers, and vendors, optimizing the exchange of information. The Company leverages data analytics and advanced IT resources to broaden and refine the internal audit function's scope and efficacy.

In response to the growing cybersecurity concerns in today's digital landscape, the Company is proactively implementing robust systems and protocols to safeguard its assets and data. The Company is committed to ensuring the highest level of security by conducting thorough risk assessments and deploying advanced technologies to detect and mitigate potential threats. The team is continuously monitoring the Company's systems and networks, while also providing ongoing training and awareness programs to all the employees.

Additionally, the Company has implemented systematic procedures to periodically evaluate a spectrum of risks, assess their probability and potential impact, and devise proactive strategies to mitigate the effects of these risks.

8. FINANCIAL/ OPERATIONAL PERFORMANCE

The Company's consolidated revenue from operations during the year ended March 31, 2025, was Rs. 35,498 Million, which increased by 15% from Rs. 30,893 Million for the year ended March 31, 2024. Consequently, the consolidated total income during the year ended March 31, 2025 also grew by 15% over the previous year, to Rs. 36,612 Million, from Rs. 31,746 Million in fiscal year 2024-25. The Company has achieved growth and delivered a strong overall performance, despite a turbulent year for the industry both domestically and internationally, thereby outgrowing the end markets.

Consolidated net profit after tax (before OCI) of the Company during the year ended March 31, 2025, was Rs. 5,156 Million as against Rs. 4,387 Million during the year ended March 31, 2024, which was a year-on-year growth of 18%.

Consolidated earnings per share in fiscal year 2024-25 was at Rs. 115.02 per share, as compared to Rs. 100.47 per share in the fiscal year 2023-24, marking a year-on-year growth of 14%.

On a standalone basis, the Company recorded revenue from operations of Rs. 31,795 Million in fiscal year 2024-25, as compared to Rs. 29,537 Million in fiscal year 2023-24. Total income during the year ended March 31, 2025, stood at Rs. 32,827 Million, growing by 8% from Rs. 30,351 Million for the year ended March 31, 2024.

Standalone net profit after tax (before OCI) for the year ended March 31, 2025 grew by 11% to Rs. 4,978 Million as compared to Rs. 4,468 Million for the year ended March 31, 2024.

Standalone earnings per share in fiscal year 2024-25 was at Rs. 113.01 per share, as compared to Rs. 101.42 per share (post bonus issue of 1:1) in the fiscal year 2023-24, marking a year-on-year growth of 11%.

Thus, the Company concluded the fiscal year 2024-25 with a robust performance across all metrics. This performance is a testament to the leading market position and strategic approach adopted by the Company to navigate market complexities, enabling the Company to continuously outgrow the industry.

9. HUMAN RESOURCES/ INDUSTRIAL RELATIONS

The Company firmly believes that its human resources are the bedrock of its success. Embracing a value-driven culture, the Company has consistently invested in its people, fostering a sense of community and belonging. Management acknowledges the critical role of its workforce and is committed to their development through a spectrum of training initiatives and welfare programs. The aim is to cultivate an environment that encourages continual innovation and progress, where employees are recognized and rewarded for their contributions towards the Company's goals. Efforts are continually made to reinforce the management framework, promoting both stability and advancement within the organization.

The collective achievements of the Company are attributed to the teamwork and collaborative spirit of its employees. The Company is dedicated to maintaining a nurturing learning atmosphere that supports employees from the moment they are hired through to their retention. Core values such as dignity, respect, fairness, and transparency are at the heart of the Company's ethos, alongside providing equal growth opportunities for all staff members. Internal mobility is actively promoted, allowing employees to pursue a variety of career paths and aiding in the cultivation of a strong talent reservoir.

The Company has successfully completed several strategic acquisitions over the last few years, enhancing the Company's capabilities and expanding market presence. The Company has made significant strides in integrating the teams from the group companies, fostering collaboration and synergy across all levels. This has been done by rolling out common culture

across the group Companies. With a clear vision set forth by the management, all teams are aligned on a unified path, working cohesively towards common goals. This collaborative spirit among the group companies is driving the Company towards greater success, as the Company leverages the collective strengths to achieve outstanding results in the future.

The Company is committed to the principles of equal opportunity employment, with policies that encompass all aspects of diversity, including but not limited to gender, marital status, religion, caste, color, age, ancestry, language, socio-economic background, physical appearance, disability, and any other categories safeguarded by law. Recognizing the skills, contributions, potential, and intrinsic worth of its human capital, the Company maintains the highest regard for the dignity, basic freedoms, and human rights of its employees, contractors, and the communities where it operates. As a conscientious corporate entity, the Company adheres to all relevant legal requirements and upholds human rights standards.

As of March 31, 2025, the Company is proud to have a dedicated team of 3,857 permanent employees.

10. CHANGES IN KEY FINANCIAL RATIOS ARE AS UNDER:

S. No.	Ratios	Unit	2023-24	2024-25	Variance (%)
i	Debtors Turnover	Times	6.94	6.56	(5.51)
ii	Inventory Turnover	Times	6.04	5.76	(4.55)
iii	Interest Coverage Ratio	Times	25.15	28.21	12.16
iv	Current Ratio	Times	2.32	2.46	6.26
v	Debt Equity Ratio	Times	0.17	0.15	(15.50)
vi	Operating Profit Margin	%	18.66	18.87	1.10
vii	Net Profit Margin	%	15.36	15.89	3.46

Return on Net worth of the Company during Financial Year 2024-25 was 20.89% as compared to 23.25 % last year.

CAUTIONARY STATEMENT

This document, part of the Management Discussion and Analysis Report, contains forward-looking statements. These statements, which may include projections, expectations, and assessments of market conditions and regulatory frameworks, are developed under the framework of applicable securities laws and are grounded in the data currently accessible to the Company. Such forward-looking statements are speculative by nature and are subject to inherent uncertainties and reliance on assumptions made by the Company.

The Company urges readers to exercise caution with respect to these forward-looking statements. It is possible that actual outcomes, future results, and events may deviate significantly from what is projected or anticipated due to a variety of influential factors. Key elements that could impact the Company's performance include, but are not limited to, economic trends influencing supply and demand dynamics, pricing in both local and international markets, legislative changes, modifications in tax regulations, and other unforeseen variables.

This cautionary statement serves to remind readers that the forward-looking statements should not be seen as guarantees of future performance and that they are subject to risks, uncertainties, and assumptions that are detailed in the Management's Discussion and Analysis section of the Boards' Report for the fiscal year 2024-25. This section provides a comprehensive context and should be consulted to fully understand the qualifications and risk factors associated with the forward-looking statements made herein.

ANNEXURE - III TO BOARDS' REPORT

REPORT ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

Pursuant to Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

The Company has embedded sustainability at the core of its operational philosophy, striving to minimize environmental impact through focused, data-driven initiatives aimed at reducing emissions and optimizing energy consumption. With a strategic vision aligned with global best practices and regulatory requirements, the Company has adopted multiple measures that contribute significantly to cost savings, operational efficiency, and long-term sustainability. These initiatives reflect the Company's proactive stance in future-proofing its operations while reinforcing its environmental stewardship.

1. Key Energy conservation initiatives/ measures taken during the year:

a) **Upgradation to better efficient motors for enhanced energy efficiency:** One of the Company's most impactful initiatives has been the replacement of traditional induction motors with energy-efficient motors across all shop floor fans, exhaust fans, office fans, and axial fans. This transition has significantly reduced the carbon footprint of HVAC and air circulation systems within the facilities.

b) **Transition to LED Lighting:** The Company has systematically replaced all conventional lighting with Light Emitting Diode (LED) fixtures across offices and manufacturing shop floors. LEDs consume less electricity, generate less heat, and last significantly longer compared to traditional bulbs, making them an ideal solution for energy conservation.

c) **Adoption of EC Fans in Air Washers:** In another innovative energy-saving step, blowers in air washers were replaced with Electronically Commutated (EC) fans. These fans offer variable speed control and higher efficiency, leading to a 20% reduction in energy usage in ventilation systems, ensuring improved airflow and better reliability of equipment.

d) **Shift to Renewable Energy: Rooftop and Group Captive Solar:** The Company has made a significant leap toward clean energy adoption through group captive solar power projects of 34 MW capacity plus installation of rooftop solar panels at it's manufacturing plants. Currently 20% of our energy requirement is catered by Renewable Energy & our Target is to reach 50% by 2030. By incorporating renewable energy into energy mix, the company has reduced dependence on fossil fuels, cut down greenhouse gas (GHG) emissions, and enhanced energy security.

e) **Energy Efficiency Programs:** Beyond these individual projects, the Company has implemented comprehensive energy efficiency programs. Regular energy audits are conducted to identify and eliminate inefficiencies across operations. These audits support the optimization of production systems, insulation improvements, and the use of advanced lighting and automation technologies, ensuring year-over-year improvement in energy utilization.

f) **Process Optimization:** The company continuously explores process optimization through automation and real-time data analytics, helping reduce energy wastage and emissions during production.

g) **Waste heat recovery systems**: These have been adopted to capture residual heat from manufacturing operations and repurpose it for internal use, thereby enhancing total system efficiency.

Through a blend of technology upgrades, renewable energy adoption, process innovation, and employee engagement, the Company has made measurable progress in reducing emissions and energy consumption. The Company's commitment to sustainable growth and operational excellence positions it as a responsible industry leader in environmental management and climate action.

The Company has always been conscious of the need to conserve energy in its Manufacturing Plants, which leads to optimised consumption of non-renewable fossil fuels, energy productivity, climate change mitigation and reduction in operational costs. The Company is working to increase the amount of renewable energy generated in-house and procured from off-site sources.

2. Steps taken by the Company to utilize alternate sources of energy:

The Company has proactively implemented various initiatives to utilize alternate sources of energy and reduce its environmental impact. Over the past three years, the company has increased its renewable energy (RE) share from 0% to 20%. Key investments include a 34 MW Group Captive Solar Project and a 2 MW rooftop solar Capex project.

Additionally, the Company is actively exploring opportunities in wind power to further diversify its renewable energy portfolio. The company has also upgraded its furnace operations by replacing High-Speed Diesel (HSD) with Piped Natural Gas (PNG), a cleaner fuel. The Company aims to achieve 50% RE usage by 2030. With a clear roadmap ahead, the organisation aims to achieve carbon neutrality by 2045 supporting a sustainable future.

3. Impact of the above measures:

The comprehensive energy conservation measures undertaken by the Company have yielded substantial environmental and operational benefits, reinforcing the Company's commitment to sustainability, resource efficiency, and climate action.

a) **Enhanced Energy Efficiency & Reduced Operational Costs**: The upgrade to high-efficiency motors and EC fans, along with the transition to LED lighting, has significantly lowered electricity consumption across plants and offices. These technologies not only consume less power but also demand minimal maintenance, thereby reducing operational costs and improving lifecycle efficiency of equipment.

b) **Reduction in Carbon Emissions & Fossil Fuel Dependency:** With 20% of its total energy requirement currently met through renewable sources, including rooftop and group captive solar projects, the Company has made meaningful progress in cutting down its dependence on fossil fuels. This shift has contributed directly to a reduction in Scope 2 GHG emissions and supports India's broader renewable energy transition. The Company is on track to increase this share to 50% by 2030.

c) **Improved System Efficiency through Process Optimization:** Energy audits and waste heat recovery systems have improved system-level efficiencies by identifying bottlenecks and repurposing residual heat within operations. These steps not only enhance energy productivity but also reduce ambient thermal discharge, leading to better working conditions and reduced environmental impact.

d) **Continuous Monitoring & Culture of Energy Consciousness:** Ongoing energy efficiency programs, supported by automation, real-time data analytics, and employee engagement, have cultivated a culture of energy consciousness across the organization. Measurable year-over-year improvements have been observed in specific energy consumption per unit of production.

e) **Contribution to Climate Change Mitigation:** By optimizing energy usage and integrating clean energy, the Company has made visible contributions toward climate change mitigation. These initiatives help the Company align with national and global sustainability frameworks, including the Sustainable Development Goals (SDGs) and India's NDCs (Nationally Determined Contributions).

4. Capital Investment on energy conservation equipment: Rs. 132.61 Million

B. TECHNOLOGY ABSORPTION

In FY 2024-25, the Company continued with its commitment to sustainability and green technologies. The Company is amongst country's most innovative component manufacturers with its R&D facilities getting consistently upgraded to cater to different fuel applications like CNG, LNG, H-CNG, Hydrogen as a fuel and also developing Electrical Powertrain solutions.

1. Efforts, in brief, made towards technology absorption: -

i) Implementation of In-House Facility for Piston Grain Refinement process (used in High power density diesel Engines).

ii) Development of HHP (High Horse Power) pistons - Successful development of large Diameter Piston for large bore stationary engines.

iii) Development of alternate material Pistons for heavy duty truck application (>400 HP).

iv) Implementation of new Piston alloys for High Performance Gasoline Engines.

v) Development of alternate fuel storage, transfer and testing facility to test alternate fuel Engines.

vi) High featured Piston assembly for Defense applications – Tanks & Armoured vehicles.

vii) Introduction of environment friendly coating of Piston Grooves for 2 wheeler / 4 wheeler applications.

viii) Development of special Pistons for Turbo GDi Engines.

ix) Design & development of Piston assembly for 100% H2 ICE Engines.

x) Capability development for real time temperature mapping of Engine components (Cylinder Head, Cylinder Block).

xi) Development of Top Ring with combination coatings for alternate fuel application.

xii) Development of advanced Ring coatings for high speed gasoline engines.

xiii) Development of a special seat coating for Engine valve in combination with a high nickel base alloy (Ni 40%).

xiv) Indigenous development of new austenitic raw material and Nickel enriched ESR Standard Grade Steel alloy.

xv) Development of non-destructive technology (eddy current tester) for surface crack detection on engine valves and (ultrasonic flow detection) for seat stellite de-bonding detection in engine valves.

xvi) Implementation of Advanced analysis setup – SEM (Scanning Electron Microscope with Energy Dispersive Spectroscopy) to attain material, Coating & Welding characterisation, Elemental analysis (Dilution analysis of Stellite welding), Failure analysis

xvii) Advanced surface topology analysis - area roughness analysis by 3D Surface Analyzer.

2. Benefits derived as a result of the above effort

i) Enhanced the contribution of new products into the business to sustain market share and improve turnover.

ii) Increased participation in sectors which are likely to remain predominantly with ICE such as - Large bore engines, Defense & GPE (General Purpose Engines).

iii) Readiness of improved Piston assembly & Engine valves used with flex fuels (E100)

iv) Enhanced product capability for high capacity motorcycles (500~1200cc).

v) Explore business opportunities with new export and domestic customers.

3. Imported technology:

Technological support is received from Technical Collaborators viz. Kolbenschmidt Pistons Germany GmbH, Germany; Honda Foundry, Japan; Riken Corporation, Japan and Fuji Oozx, Japan under subsisting Technical Collaboration Agreements for the manufacture of Pistons, Piston Rings and Engine Valves.

Details of technology imported during the last three years (reckoned from the beginning of the financial year):

S. No.	Details of technology imported	Year of import	Whether technology has been fully absorbed	Reason for non-absorption of technology, if any
Pistons:				
i	Piston Simulation Technology Up-gradation	2022-23	Partially	Under Implementation
Rings:				
i	Closed Gap in 0.03 tolerance limit	2022-23	Yes	-
ii	2nd Ring under PVD coating	2022-23	Yes	-
Iii	Top Ring with minute gap edge chamfer	2022-23	Yes	-
iv	Advanced Ring Coating for high speed gasoline engine	2023-24	Yes	-
Engine Valves:				
i	Introduced special alloy for exhaust valve for high durability in power GEN application	2021-22	Yes	-
ii	Thermo-coupled valves for live temperature measurement	2021-22	Yes	-
iii	Introduced stellite powder for CNG application	2022-23	Yes	-

4. Expenditure on R & D:

Capital/Intangible	:	Rs. 46.06 Million
Recurring	:	Rs. 243.59 Million
Total	**:**	**Rs. 289.65 Million**

Total R&D expenditure as a percentage of total income: 0.82%

C. FOREIGN EXCHANGE EARNINGS & OUTGO

1. Exports:

i) Exports continue to remain the focus area for the Company. The Company made exports worth Rs. 4,840 Million in the year as compared to Rs. 5,182 Million in the previous year.

ii) Several initiatives have been taken for the long-term growth of the Company's export to global OEMs and in the Aftermarket, in close coordination with it's Collaborators.

iii) The Company is targeting to achieve double-digit growth in export levels from the previous year. This will however be determined by the global headwinds and geopolitical challenges.

2. Foreign Exchange earned - Rs. 4,903 Million

Foreign Exchange utilized/outgo - Rs. 3,438 Million

ANNEXURE - IV TO BOARD'S REPORT

DATA OF EMPLOYEES

[UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014]

1. Particulars of Employees:

Name	Designation	Remuneration (Rs.)	Qualifications	Experience (Years)	Commencement of Employment	Age (Years)	%age of Equity Shares held	Last Employment Held
Mr. Luv Deepak Shriram*	Whole Time Director	7,53,87,259	B.Com	32	May 2014	53	27.30$	Managing Director, Shriram Veritech Solutions Pvt. Ltd.
Mr. Krishnakumar Srinivasan*	Managing Director & CEO	10,60,11,498	B.E. (Mech.), MBA, Diploma in Exports	38	February 2020	59	-	President and Director, Europe and Strategic Business, Bharat Forge Ltd.
Mr. Prem Prakash Rathi	Executive Director & CFO	2,57,46,157	FCA, B.Com (Hons.)	26	January 2021	51	-	Chief Financial Officer- Raymond Ltd. (Garmenting Division)
Mr. Arun Kumar Shukla	Executive Director - Projects	2,60,64,756	B.Tech (Mechanical)	38	August 2009	60	-	Vice President - Operations, Uniparts India Ltd.
Mr. Sandeep Agrawal	Executive Director & CMO	3,06,37,535	B.Sc (Mechanical Engineering), Post Graduate Diploma in Project Management	38	April 2021	59	-	Head Network Management and CEO, Gulf Ashley Ltd. with Ashok Leyland
Mr. Rajnish Julka	Executive Director - Ghaziabad Works	2,41,24,516	B.Sc. Engg. (Mech), MEP-IIM Ahemdabad, 6 Sigma Black Belt	36	April 2024	57	-	Plant Head, IFB Pune
Mr. Sumantra Mukherjee#	Executive Director - Pathredi Works	2,02,16,598	B.E. (Prod.), Senior Mgmt Program IIM Kolkata, 6 Sigma Black Belt	35	May 2024	56	-	Director - Operation, CNH Industrial
Mr. Rajan Nanda	Executive Director - Marketing	2,55,63,184	B.E. Mechanical, MBA Finance & Operations	34	June 2015	56	-	Head Key Account Management (Automotive)- Schaeffler India
Ms. Poonam Bharti	Executive Director & CHRO	2,92,17,439	B.Sc., Masters in HR & IR	30	March 2018	54	-	Global HR Head, Ranbaxy/ Sun Pharma
Mr. Atul K Khanapurkar	Executive Director - Pathredi Works	2,57,79,475	B.E. (Electronics)	39	March 2019	61	-	Sr. General Manager, Bosch Ltd.

Name	Designation	Remuneration (Rs.)	Qualifications	Experience (Years)	Commencement of Employment	Age (Years)	%age of Equity Shares held	Last Employment Held
Mr. Dharmendra Singh	Dy. Executive Director - Ghaziabad Works	1,63,65,614	B.Sc. Engg. (Mechanical)	38	August 1989	59	-	-
Mr. Ashok Sinha	Dy. Executive Director - ISCM	1,66,56,484	B.Sc. Engg. (Mechanical), PGDBM, MBA	28	April 2022	50	-	SCM Director - Cummins Engine
Mr. Prashant Khairnar	Dy. Executive Director & CDO	1,78,65,164	B. E. Mechanical	29	December 2020	50	-	"Advance Technology Director- Asia, Lear Corporation Pune."
Mr. Pankaj Gupta	Dy. Executive Director - Head Legal & Company Secretary	1,74,03,332	Bachelor of Law and Legislature (LL.B), Company Secretary, B.Com. (Hons.)	26	August 2021	52	-	Head Legal & Company Secretary, Goodyear India Ltd.
Mr. Sandeep Kalia#	Executive Director	1,32,65,236	B.E. Advance Diploma in Management, Diploma in Finance Management	41	July 2015	63	-	Member of Board of Directors- Mushashi Auto Parts India Pvt. Ltd.
Mr. Devendra Mishra#	Executive Director	1,84,85,687	B.E., PGPM	37	July 2011	60	-	VP-Manufacturing, National Engineering Industries

Notes:

(i) Years of experience including experience before joining the Company.

(ii) All employees are in regular employment.

(iii) Remuneration includes payment of salaries, allowances, expenses on perquisites & contribution to provident fund, gratuity fund, superannuation fund and other benefits on payment basis.

(iv) *Employees on Contract.

(v) #Employees for part of the year.

(vi) $ Mr. Luv Deepak Shriram (First named shareholder) and Ms. Meenakshi Dass (Second named shareholder) jointly hold 13.64% shares of the Company on behalf of Deepak Shriram Family Benefit Trust.
Ms. Meenakshi Dass (First named shareholder) and Mr. Luv Deepak Shriram (Second named shareholder) jointly hold 13.64% shares of the Company on behalf of Deepak Shriram Family Benefit Trust.
Mr. Luv Deepak Shriram (First named shareholder) and Mr. Kush D. Shriram (Second named shareholder) jointly hold 0.00001% shares of the Company on behalf of NAK Benefit Trust.
Mr. Luv Deepak Shriram also holds 0.02% shares of the Company in his name.
Mr. Luv Deepak Shriram is a relative of Ms. Meenakshi Dass, who is a Non-Executive Director of the Company.

(vii) There was no employee who was in receipt of remuneration which, in the aggregate, is in excess of that drawn by the Managing Director or Whole Time Director and holds by himself or along with his/her spouse and dependent children, not less than 2% equity shares of the Company.

2. **Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year:**

Name of the Director	Ratio of remuneration to median remuneration of employees (Times)
Mr. Pradeep Dinodia	80.99
Mr. Hari Shanker Bhartia	1.89
Ms. Ferida Avnish Chopra	10.85
Ms. Meenakshi Dass	9.13
Mr. Yasunori Maekawa	5.86
Mr. Krishnakumar Srinivasan	182.59
Mr. Luv Deepak Shriram	129.84
Mr. Inderdeep Singh*	2.93
Mr. Klaus Semke	7.23
Ms. Tina Trikha	10.51
Mr. Shinichi Unno	7.23
Mr. Shigeto Muno* (Alternate Director to Mr. Yasunori Maekawa)	2.93
Mr. Alexandru Vladoi (Alternate Director to Mr. Klaus Semke)	-
**were Directors for part of the year in 2024-25, therefore figures are not comparable.*	

3. **Percentage increase in remuneration of Directors, CFO, CEO and CS:**

Name of the Director / CFO / CEO / CS	% age increase in remuneration
Mr. Pradeep Dinodia	8.78
Mr. Hari S. Bhartia	-16.03
Ms. Ferida Avnish Chopra	14.55
Ms. Meenakshi Dass	6.00
Mr. Shigeto Muno*	100.00
Mr. Klaus Semke	-8.70
Mr. Inderdeep Singh*	-69.64
Mr. Luv D. Shriram	8.44
Mr. Krishnakumar Srinivasan	19.60
Ms. Tina Trikha	100.00
Mr. Shinichi Unno	220.61
Mr. Yasunori Maekawa (alternate director to Shri Masaki Yamaguchi)	180.99
Mr. Alexandru Vladoi (Alternate Director to Shri Klaus Semke)	-
Mr. Prem Prakash Rathi	8.96
Mr. Pankaj Gupta	91.60
** were Directors for part of the year in 2024-25, therefore figures are not comparable.*	

4. **Percentage increase in the median remuneration of employees in the financial year:** 8.28%

5. **The number of permanent employees on the rolls of Company:**

   As of 31.3.2025, the number of permanent employees on the rolls of the Company is 3857.

6. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

   The average Percentile Increase in the Salaries of Employees is 9.42%. The average Percentile Increase in Managerial Remuneration is 8.65% due to increased profitability. The remuneration of employees and Managerial Personnel is decided based on individual performance, the Company's overall performance, inflation, prevailing industry trends and benchmarks.

7. **Affirmation that the remuneration is as per the remuneration policy of the Company:**
   The remuneration is as per the Remuneration Policy of the Company.

ANNEXURE-V TO BOARDS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 ("the Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

The Corporate Social Responsibility (CSR) Policy of the Company reflects its unwavering commitment to creating a meaningful and lasting impact on society and the environment. Rooted in the principles of trust, fairness, and care, the policy guides the Company to operate responsibly and ethically, while prioritizing initiatives that enhance the quality of life, particularly in the communities surrounding its business operations. The overarching goal is to create long-term, sustainable value for all stakeholders by integrating responsible practices into the core of business operations.

During the financial year ended March 31, 2025, the Company fulfilled its CSR obligations through well-structured projects and programmes across diverse focus areas including Healthcare, Education, Environmental Sustainability, Sanitation, Access to Safe Drinking Water, Skill Development and Livelihood Enhancement, Heritage and Cultural Preservation, Women Empowerment, and Promotion of Diversity and Inclusion. The Company places special emphasis on initiatives that benefit vulnerable and marginalized sections of society, ensuring equitable development and social upliftment.

By actively engaging in these critical areas, the Company demonstrates its role as a responsible corporate citizen. The CSR Policy reaffirms the belief that sustainable business success is best achieved when economic growth is aligned with social progress and environmental stewardship. Through its CSR initiatives, the Company continues to make a positive difference in the communities where it operates.

2. Composition of CSR Committee:

S. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
i)	Mr. Pradeep Dinodia	Chairman (Non-Executive Director)	2	2
ii)	Mr. Inderdeep Singh*	Independent Director	2	1
iii)	Ms. Tina Trikha**	Independent Director	2	1
iv)	Ms. Meenakshi Dass	Non-Executive Director	2	2
v)	Mr. Luv Deepak Shriram	Whole-Time Director	2	2
vi)	Mr. Krishnakumar Srinivasan	Managing Director & CEO	2	2

Note: **Consequent to completion of the tenure of Mr. Inderdeep Singh, he ceased to be Independent Director w.e.f. close of business hours of 28.7.2024 and the Member of CSR Committee.*

*** Ms. Tina Trikha was appointed as Independent Director w.e.f. 13.5.2024 and was appointed as a Member of the CSR Committee w.e.f. 29.7.2024.*

3. Web-link where the Composition of the CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: https://shrirampistons.com/investors-guide-2/

4. Details of Impact assessment of CSR projects carried out in pursuance of Sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: Not applicable to the Company; however, the Company has voluntarily undertaken an independent impact assessment of its CSR projects through CII - Centre of Excellence for Sustainable Development. The executive summary of the assessment is enclosed as Appendix A to this annexure.

5. i) Average Net Profit of the Company as per Section 135(5) of the Act: Rs. 4053.28 Million

ii) Two percent of the average net profit of the Company as per section 135(5) of the Act: Rs. 81.07 Million

iii) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

iv) Amount required to be set off or the financial year, if any: Nil

v) Total CSR obligation for the financial year (b+c+d): Rs. 81.07 Million

6. **i) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** Rs. 67.68 Million

ii) Amount spent on Administrative Overheads: Rs. 3.81 Million

iii) Amount spent on Impact Assessment, if applicable: Rs. 0.72 Million

iv) Total amount spent for the Financial Year [(i)+(ii)+(iii)]: Rs. 72.21 Million

v) CSR amount spent or unspent for the Financial Year:

(Amount Rs. in Million)

Total Amount Spent for the Financial Year	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
72.21	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
	8.86	29.4.2025	-	-	-

vi) Excess amount for set off, if any:

S. No.	Particular	Amount (Rs. in Million)
i)	Two percent of average net profit of the Company as per sub section (5) of section 135	81.07
ii)	Total amount spent for the Financial Year 2024-25	72.21
iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
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)]	NIL

7. a) Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

(Amount Rs. in Million)

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years.	Deficiency, if any
					Name of the Fund	Amount	Date of transfer		
i)	2021-21	9.08	0.49	0.49	-	-	-	-	-
ii)	2022-23	2.09	1.47	0.72	-	-	-	0.75	-
iii)	2023-24	8.63	8.63	6.85	-	-	-	1.78	-
	Total	**21.43**	**10.59**	**8.06**	**-**	**-**	**-**	**2.53**	**-**

8. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Years

○ Yes ● No

If Yes, enter the number of Capital assets created/ acquired: Not applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year.

S. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s) Date of creation	Amount of CSR amount spent	Details of entity/ Authority/beneficiary of the registered owner		
				CSR Registration Number, if applicable	Name	Registered address
Not Applicable						

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5): The Implementation of CSR projects is in progress and the balance unspent amount belongs to ongoing projects of the Company and shall be utilized within the time limit as prescribed under Section 135 of the Act read with relevant rules thereunder including any modification(s) thereof from time to time.

May 07, 2025
New Delhi

(Pradeep Dinodia)
Chairman of CSR Committee

(Krishnakumar Srinivasan)
Managing Director & CEO

Appendix-A

Executive Summary of the Impact Assessment Study

The Company has voluntarily undertaken an independent impact assessment of its CSR projects through CII – Centre of Excellence for Sustainable Development (CII-CESD), New Delhi. The assessment covered six intervention areas across elderly care, healthcare, livelihood, and education.

The study evaluated the Social Return on Investment ("SRoI") for each project, revealing the following monetary value created for every rupee spent:

S. No.	PROJECT	MONETARY VALUE (INR) (for every Re. ONE spent)
1)	Old Age Home	Rs 2.80
2)	Mobile Medical Unit	Rs. 2.40
3)	Karate Classes	Rs. 1.80
4)	Girls Karate Classes	Rs. 1.80
5)	Medical Dispensary-1	Rs. 3.10
6)	Medical Dispensary-2	Rs. 4.60
7)	Silai Training School	Rs. 3.90
8)	PM Shri Tijara Govt Girls School	Rs. 4.80
OVERALL SRoI RATIO (for SPRL CSR activities)		**Rs. 3.41**

The overall SRoI for SPRL's CSR interventions stood at 1 : 3.41, indicating that every rupee invested generated a social value of Rs. 3.41. This underlines the significant impact and effectiveness of SPRL's CSR initiatives in creating meaningful community outcomes.

SHRIRAM®

SPRL's Journey in CSR

Progress that revolves around giving back to the society

Healthcare | Education | Environment | Sanitation/ Drinking Water | Other Areas

CSR ACTIVITIES
HEALTHCARE

Third Floor Ward

Physiotherapy

NSS Prosthetic Hospital

Staying true to their philosophy of "fulfilling commitments and changing lives," Shriram Pistons & Rings Ltd. (SPRL) has taken a meaningful step in healthcare through its CSR efforts.

The upcoming NSS Prosthetic Hospital — later this year located at Udaipur — brings together SPRL employees, healthcare workers, and community leaders in a shared mission of compassion.

The hospital will offer advanced prosthetic and orthotic care to underprivileged individuals with limb disabilities, aiming to restore their mobility, confidence, and dignity.

With this initiative, SPRL reinforces that its CSR is more than a promise—it's a mission driven by heart and purpose. The strengthened NSS in turn continues to ensure quality, accessible healthcare for all free of cost.

Efforts like these reflect SPRL's vision of "impacting lives beyond business", building a foundation for lasting change and empowered communities.

Delhi Dispensary

With a vision of care for every life, SPRL's dispensary in Delhi provides timely consultations and essential medicines to those in need. It also provides various blood tests at concessional rates. Focused on the underprivileged, these services ensure that no one is denied treatment due to financial constraints.

Vinayak Charitable Hospital Ghaziabad

Open 24x7, Vinayak Charitable Hospital stands as a beacon of hope. Equipped with emergency services, a pharmacy, and a pathology lab, the hospital ensures timely and quality treatment for all who walk through its doors.

Prosthetic Camps

SPRL organizes assessment camps for individuals with limb loss, providing custom-made prosthetics and physiotherapy support. These efforts help recipients walk without crutches. Each limb is more than a tool — it's a step toward restored dignity and independence.

Medical Camp

Regular health camps conducted by SPRL offer:

- Free consultation & Free medicines
- Eye check-ups
- ECG screenings
- Blood pressure and sugar level testing
- Blood donation camps, helping build a vital reserve for emergency situations

These camps serve as critical lifelines for early detection and preventive care.

Blood Donation Camp

Eye Testing

ECG Checkup

BP & Blood Sugar Testing

Purposeful Giving

From distributing smart sticks to the visually impaired to ensuring menstrual hygiene through sanitary pad drives, SPRL responds to everyday challenges with empathy and practical action—addressing needs that are often overlooked but deeply impactful.

Smart Stick distributed to the visually impaired

Sanitary Pad Distribution

CSR ACTIVITIES
EDUCATION

Mini Science Centre : Nurturing curiosity from a young age, SPRL has established a Mini Science Centre where students engage in hands-on experiments—bringing science to life and learning beyond the textbook.

Workshop Classes : Through immersive, Gurukul-style training, SPRL supports ITI students with practical skills that bridge the gap between education and employability—paving the way for a stronger, skilled workforce.

CSR ACTIVITIES **ENVIRONMENT**

Green Initiatives : From preparing land for forestation to ongoing tree plantation drives, SPRL is committed to restoring balance in nature—reducing carbon footprint, pollution, increasing green cover, and protecting the biodiversity.

Solar Energy Installations : By installing solar panels, SPRL makes a long-term investment in energy conservation—lowering electricity use while promoting cleaner, sustainable living.

Preparing Land for Forest Plantation

Forest Plantation Activity in Pithampur

Dense Miyawaki Forest Tree Plantation at NDRF Campus by SPRL, Supported by Catch Foundation

Solar Panels Installed

CSR ACTIVITIES **SANITATION/DRINKING WATER**

Water Cooler installed

With a commitment to provide safe drinking water for all, SPRL installs water coolers with RO/filter & builds toilets in schools /offices — promoting hygiene, dignity, and a healthier environment.

Toilet Built in School

CSR ACTIVITIES
OTHER AREAS

Women entrepreneurs making their products by hand

CSR ACTIVITIES
WOMEN EMPOWERMENT

Silai School Bhiwadi

SPRL's commitment to make women self-reliant has led to a tie-up with EDII, Ahmedabad, for turning 50 women in Ghaziabad District into self-entrepreneur groups.

Silai Schools : SPRL's sewing centres empower women with a life skill that leads to financial independence and self-worth.

Self-Defence & Computer Classes : With safety and digital literacy at the forefront, SPRL offers self-defence training and computer courses—helping women step confidently into a self-reliant future.

Self Defense Classes Ghaziabad

GNK Silai School Support

Beneficiries of Computer Course - GNK College Ghaziabad

Women Selection Project Shashakt

COMMUNITY WELFARE ACTIVITIES

श्रीराम पिस्टन्स ने क्षय रोगियों के लिए किया दवाईयों का निशुल्क वितरण

कंपनी सामाजसेवी में निभा रही है अग्रणी भूमिका

दिव्यांगों के लिए कृत्रिम अंग प्रत्यारोपण शिविर आयोजित

तिजारा और टपूकड़ा के सरकारी अस्पतालों को मिली अत्याधुनिक सीबीसी मशीनें

स्मार्ट क्लास का हस्तांतरण

भिवाड़ी, (मनोज गुप्ता): श्रीराम पिस्टन्स एंड रिंग्स

की ओर से दो स्कूलों में स्मार्ट क्लास का

रण। कंपनी के कार्यकारी निदेशक सुमेरा मुखर्जी

की ओर से महात्म

गांधी विद्यालय

लोहादेरा ता

महात्मा गां

विद्यालय मा

महनिया, ति

के प्रधानाध्य

स्मार्ट क्लास का हस्तांतरण किया गया।

ने इस मौके पर कहा कि सामाजिक उत्तरदा

करते हुए शिक्षा एवं स्वास्थ्य पर विशे

। जिसमें स्मार्ट क्लास शिक्षा को सरल

सहायक रहेगी। वर्तमान युग मे विद्य

करण मे महत्वपूर्ण भूमिका निभाए

वाले समय मे छात्रों के

कृत्रिम अंग प्रत्यारोपण एवं स्मार्ट मैजिक स्टिक वितरण कार्यक्रम आयोजित

तिजारा व टपूकड़ा के सामुदायिक अस्पतालों को मिली अत्याधुनिक सीबीसी मशीनें

वीडियो कांफ्रेंसिंग के माध्यम से जुड़े अधिकारी

श्रीराम पिस्टन एंड रिंग्स लिमिटेड पथरेड़ी की तरफ से श्रीमान जिला कलेक्टर महोदय एवं डॉक्टर अरविंद गेट मुख्य चिकित्सा एवं स्वास्थ्य अधिकारी खैरथल तिजारा को विधानसभा क्षेत्र तिजारा की सामुदायिक स्वास्थ्य केंद्र तिजारा एवं टपूकड़ा के लिए दो 9 पार्ट सीबीसी मशीन सौंपी गई।

अब छात्राएं भी विज्ञान प्रयोगशाला में सीखेंगी विज्ञान का सही ज्ञान: संजय कुमा

श्रीराम पिस्टन्स ने सात लाख रुपये की लागत से कॉलेज में कराया गया विज्ञान प्रयोगशाला का नि

उक्त मशीनों से चिकित्सा संस्थ

गर्भवती महिलाओं की खून की

श्रीराम पिस्टन्स कम्पनी ने किया निशुल्क ब्लाइंड स्टिक वितरण

दिव्यांगों के लिए कृत्रिम अंग प्रत्यारोपण शिविर एवं नेत्रहीन व्यक्तियों के लिए स्मार्ट मैजिक स्टिक वितरण कार्यक्रम आयोजित

जयपुर (मरुधा भास्कर)। पूर्णी फाउंडेशन राजस्थान, जयपुर एवं श्रीराम पिस्टन एंड रिंग्स लिमिटेड भिवाड़ी के संयुक्त तत्वावधान में श्रीराम भिवाड़ी के सभागार में दिव्यांगों के लिए कृत्रिम अंग प्रत्यारोपण शिविर एवं नेत्रहीन व्यक्तियों के लिए स्मार्ट मैजिक स्टिक वितरण कार्यक्रम आयोजित किया गया। इस अवसर पर श्रीराम पिस्टन एंड रिंग्स लिमिटेड भिवाड़ी के कार्यकारी निदेशक सुमेरा मुखर्जी द्वारा उनके संस्थान द्वारा किए जा रहे लोक कल्याणकारी कार्यों के बारे में विस्तृत जानकारी दी गई। मुखर्जी द्वारा यह बताया गया कि सामान्य लोगों की तुलना में दिव्यांगों के हौसले अधिक बड़े होते हैं तथा यह सामान्य लोगों की तुलना में अधिक साहस होते हैं।

मुख्यमंत्री द्वारा फीजिया में भी सहायता का आश्वासन दिया गया।

इस अवसर पर पूर्णी फाउंडेशन

हाइजीन जागरूकता कार्यक्रम

भिवाड़ी,(मनोज गुप्ता): श्रीराम पिस्टन्स रू पथरेड़

की ओर से सीनियर सेकेंड्री स्कूल फकरहीनका में गां

की महिलाओं के लिए व्यक्तिगत हाइजीन जागरूक

एवं सेनेट्री पैड का वितरण कार्यक्रम का आयोजन हुआ

कंपनी के वरिष्ठ प्रबंधक दिलवर सिंह वर्धन ने बता

कि हमें स्वस्थ रहने के लिए व्यक्तिगत रूप से भी स

सफाई रखनी चाहिए। विशेष कर महिला एवं

ANNEXURE - VI TO BOARDS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

(For the Financial Year Ended on 31st March, 2025)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Shriram Pistons & Rings Limited
3rd Floor, Himalaya House,
23 Kasturba Gandhi Marg, New Delhi-110001

We were appointed by the Board of Directors of **Shriram Pistons & Rings Limited** (hereinafter called "the Company") at the Board Meeting held on May 13, 2024 to conduct the Secretarial Audit for the Financial year 2024-25.

A. Management's Responsibility on Secretarial Compliances

The Company's Management is responsible for the preparation and maintenance of the secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

B. Auditor's Responsibility

Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

C. Opinion

1) We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

2) Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and we hereby report that in our opinion, the Company has during the audit period covering the Financial period ended on the 31st March, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

   I. The Companies Act, 2013 (the Act) and the Rules made thereunder, as applicable;

   II. The Secretarial Standard with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;

   III. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

   IV. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

   V. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

   VI. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

      a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended;

      b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended;

      c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;

      d) The Securities and Exchange Board of India (Depository participant) Regulations, 2018, as amended;

e) The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2018; **Not applicable.**

f) The Securities and Exchange Board of India (Share based Employee benefits and Sweat Equity) Regulations, 2021 in relation to Employee Stock Option Scheme; **Not applicable.**

g) The provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **Not applicable.**

h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

i) The Securities and Exchange Board of India (Delisting of Equity Shares) regulations, 2021; **Not applicable.**

j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not applicable.**

3) We have also examined compliance with the applicable clauses of the Secretarial Standards issued by Institute of Company Secretaries of India.

We further report that during the period under review:

The Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report on the basis of management representation, recording in the Minutes of Board Meetings and documents provided, I am of the view that the Company has ensured compliance with other laws generally applicable to it as mentioned below:

1. The Water (Prevention and Control of Pollution) Act, 1974)
2. The Air (Prevention and Control of Pollution) Act, 1981;
3. The Environment (Protection) Act, 1986;
4. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
5. Factories Act, 1948;
6. Payment of Wages Act. 1936;
7. Minimum Wages Act, 1948:
8. Employees State Insurance Act, 1948;
9. Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines

For APAC & Associates LLP
Company Secretaries,
ICSI Unique Code.: P2011DE025300
Peer Review Cert. No.: 3688/2023 valid till 30.06.2028

Chetan Gupta
Managing Partner
Membership No.: F6496
COP No.: 7077
UDIN: F006496G000292650

Place: New Delhi
Date: May 07, 2025

Note: This report is to be read with our letter of even date which is annexed as **"Annexure A"** and forms an integral part of this report.

F565

Annexure-A

To,
Shriram Pistons & Rings Limited
3rd Floor, Himalaya House,
23 Kasturba Gandhi Marg, New Delhi-110001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the audit practices and processes as we were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and the happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For APAC & Associates LLP
Company Secretaries,
ICSI Unique Code.: P2011DE025300
Peer Review Cert. No.: 3688/2023 valid till 30.06.2028

Chetan Gupta
Managing Partner
Membership No.: F6496
COP No.: 7077
UDIN: F006496G000292650

Place: New Delhi
Date: May 07, 2025

ANNEXURE - VII TO BOARD'S REPORT

FORM No. MR-3

SECRETARIAL AUDIT REPORT
(For the Financial Year Ended on 31st March, 2025)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
SPR Engenious Limited
3rd Floor, Himalaya House,
23 Kasturba Gandhi Marg, New Delhi-110001

We were appointed by the Board of Directors of **SPR Engenious Limited** (hereinafter called "the Company") at the Board Meeting held on May 13, 2024 to conduct the Secretarial Audit for the Financial year 2024-25.

A. Management's Responsibility on Secretarial Compliances

The Company's Management is responsible for the preparation and maintenance of the secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

B. Auditor's Responsibility

Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

C. Opinion

1) We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

2) Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and we hereby report that in our opinion, the Company has during the audit period covering the Financial period ended on the 31st March, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I. The Companies Act, 2013 (the Act) and the Rules made thereunder, as applicable;

II. The Secretarial Standard with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;

III. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder; **Not applicable**

IV. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent applicable on unlisted Company; **Not applicable**

V. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not applicable**

VI. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; **Not applicable**

b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended; **Not applicable**

c) *The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; **Not applicable**

d) The Securities and Exchange Board of India (Depository participant) Regulations, 2018, as amended; **Not applicable**

e) The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2018; **Not applicable**

f) The Securities and Exchange Board of India (Share based Employee benefits and Sweat Equity) Regulations, 2021 in relation to Employee Stock Option Scheme; **Not applicable**

g) The provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable**

h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not applicable**

i) The Securities and Exchange Board of India (Delisting of Equity Shares) regulations, 2021; **Not applicable**

j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not applicable**

*The Company being a material subsidiary of Shriram Pistons & Rings Limited (SPRL), some of the employees and directors of the Company have been categorized as Designated Persons and are covered by the code of conduct of SPRL under the SEBI (PIT) Regulations, 2015.

3) We have also examined compliance with the applicable clauses of the Secretarial Standards issued by Institute of Company Secretaries of India.

We further report that during the period under review:

The Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. No changes took place in the composition of the Board of Directors and KMPs during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report, as informed to us, there no other Sector Specific Laws applicable to the company during the audit period. We have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For APAC & Associates LLP
Company Secretaries,
ICSI Unique Code.: P2011DE025300
Peer Review Cert. No.: 3688/2023 valid till 30.06.2028

Chetan Gupta
Managing Partner
Membership No.: F6496
COP No.: 7077
UDIN: F006496G000292861

Place: New Delhi
Date: May 07, 2025

This report is to be read with our letter of even date which is annexed as **"Annexure A"** and forms an integral part of this report.

Annexure-A

To
SPR Engenious Limited
3rd Floor, Himalaya House,
23 Kasturba Gandhi Marg, New Delhi-110001

Our report of even date is to be read along with this letter

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the audit practices and processes as we were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and the happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

For APAC & Associates LLP
Company Secretaries,
ICSI Unique Code.: P2011DE025300
Peer Review Cert. No.: 3688/2023 valid till 30.06.2028

Chetan Gupta
Managing Partner
Membership No.: F6496
COP No.: 7077
UDIN: F006496G000292861

Place: New Delhi
Date: May 07, 2025

ANNEXURE - VIII TO BOARDS' REPORT

Form AOC-1

[Pursuant to first proviso to Sub-Section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Part "A": Subsidiaries

Sr. No.	Particulars	Subsidiary 1[@]	Subsidiary 2*	Subsidiary 3**	Subsidiary 4***
1	Name of the subsidiary	SPR Engenious Limited	SPR EMF Innovations Private Limited *(Formerly EMF Innovations Private Limited)*	SPR Takahata Precision India Private Limited *(Formerly Takahata Precision India Private Limited)*	SPR TGPEL Precision Engineering Limited *(Formerly TGPEL Precision Engineering Limited)*
2	The date since when subsidiary was acquired	26.9.2022 (Date of Incorporation)	11.1.2023	16.10.2023	24.12.2024
3	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Not applicable as reporting period of Holding and Subsidiary Companies are same i.e. from 1.4.2024 to 31.3.2025			
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable			
5	**Share capital:** Authorised share capital : Paid-up share capital :	 Rs. 6,05,00,00,000 Rs. 6,00,00,00,000	 Rs. 35,00,00,000 Rs. 17,51,70,820	 Rs. 1,95,00,00,000 Rs. 1,83,50,00,000	 Rs. 70,00,00,000 Rs. 39,58,12,600
6	Reserves & surplus (Rs./Mn.)	(101.85)	718.04	(625.52)	483.08
7	Total assets (Rs./Milion)	6,248.59	1,144.63	2,531.29	1105.85
8	Total Liabilities (Rs./Million)	6,248.59	1,144.63	2,531.29	1105.85
9	Investments (Rs./Million)	4,425.42	110.89	-	-
10	Total Income (Rs./Million)	236.30	237.56	2,977.41	1300.65
11	Profit/(Loss) before taxation (Rs./Million)	(56.55)	(36.98)	318.43	221.03
12	Provision for taxation (Rs./Million)	-	-	(41.11)	59.44
13	Profit/(Loss) after taxation (Rs./Million)	(56.55)	(36.98)	359.54	161.59
14	Proposed Dividend	NIL	NIL	NIL	NIL
15	% of shareholding	100	66.42*	62.00**	100***

1. Names of subsidiaries which are yet to commence operations: NIL
2. Names of subsidiaries which have been liquidated or sold during the year: NIL
3. Names of subsidiaries which have been struck off during the year: NIL

[@] Wholly owned subsidiary of the Company

*Holding 66.42% shares through SPR Engenious Limited, Wholly-owned subsidiary.

**Holding 62.00% shares through SPR Engenious Limited, Wholly-owned subsidiary.

***Holding 100% shares through SPR Engenious Limited, Wholly-owned subsidiary.

Part "B": Associates and Joint Ventures

This is not applicable, as there are no Associate Companies or Joint Venture Companies of the Company.

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Tina Trikha
Director
DIN: 02778940

New Delhi
May 07, 2025

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Cheif Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv Deepak Shriram
Wholetime Director
DIN : 00051065

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

S.No.	Questions	Responses
1.	Corporate Identity Number (CIN) of the Listed Entity	L29112DL1963PLC004084
2.	Name of the Listed Entity	Shriram Pistons & Rings Limited
3.	Year of incorporation	1963
4.	Registered office address	3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi- 110001
5.	Corporate address	3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi- 110001
6.	E-mail	compliance.officer@shrirampistons.com
7.	Telephone	011-23315941
8.	Website	https://shrirampistons.com/
9.	Financial year for which reporting is being done	2024-25
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) BSE Limited (BSE)
11.	Paid-up Capital	Rs. 44,04,98,240/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	**Name:** Mr. Pankaj Gupta **Designation:** Company Secretary **Email:** compliance.officer@shrirampistons.com Phone: 011-23315941
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis ("SPRL" or "The Company")
14.	Name of assurance provider	Not applicable as the company will be undergoing assurance as per regulatory requirements in future cycles of reporting
15.	Type of assurance obtained	Not Applicable

II. Products/Services

16. **Details of business activities (accounting for 90% of the turnover)**

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
i)	Manufacturing & Sale of automotive components	Pistons, Piston Pins, Piston Rings, Engine Valves, Cylinder Liners etc.	97

17. **Products/Services sold by the entity (accounting for 90% of the entity's Turnover)**

S. No.	Product/Service	NIC Code	% of total Turnover contributed
i)	Pistons, Piston Rings, Piston Pins, Engine Valves and Cylinder Liner	281; Sub-division: 2811	97

III. Operations

18. **Number of locations where plants and/or operations/offices of the entity are situated**

Location	Number of plants	Number of offices	Total
National	8	11	19
International	0	0	0

19. **Markets served by the entity:**

a. Number of locations

Locations	Number
National (No. of States)	28 States and 8 Union Territories
International (No. of Countries)	45

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of Exports is 15% of the total turnover of the Company.

c. A brief on types of customers

The Company caters to a diverse customer base, which can be categorized into four primary groups:

- Domestic OEMs (Original Equipment Manufacturers within India),
- Domestic Aftermarket (customers purchasing replacement parts within India),
- International OEMs (Original Equipment Manufacturers outside of India), and
- International Aftermarket (customers purchasing replacement parts outside of India).

This segmentation has enabled the Company to tailor its products and services to meet the specific needs of each customer group effectively.

IV. Employees

20. **Details as at the end of Financial Year: FY 2024-25**

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
i)	Permanent (D)	1,392	1,326	95.26	66	4.70
ii)	Other than Permanent (E)	100	88	88.00	12	12.0
iii)	Total employees (D + E)	1,492	1,414	94.77	78	5.20
Workers						
iv)	Permanent (F)	2,465	2,465	100.00	0	0
v)	Other than Permanent (G)	6,130	5,914	96.00	216	3.50
vi)	Total employees (F + G)	8,595	8,379	97.00	216	2.50

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently-abled employees						
i)	Permanent (D)	2	2	100	0	0
ii)	Other than Permanent / Contractual / Third Party (E)	0	0	0	0	0
iii)	Total differently abled employees (D + E)	2	2	100	0	0
Differently-abled workers						
iv)	Permanent (F)	10	10	100	0	0
v)	Other than Permanent / Contractual / Third Party (E)	32	32	100	0	0
vi)	Total differently abled workers (F+G)	42	42	100	0	0

21. **Participation/Inclusion/Representation of women**

Representative Stakeholder	Total (A)	No. and percentage of Females (B)	
		No. (B)	% (B / A)
Board of Directors (BOD)	10*	3	30
Key Management Personnel (KMP)	4**	0	0

**Besides the above, there are two (2) Alternate Directors*

***KMP includes MD & CEO and Whole Time Director which are also included under BOD*

22. **Turnover rate for permanent employees and workers**

	FY 2024-25 (Turnover rate in current FY)			FY 2023-24 (Turnover rate in previous FY)			FY 2022-23 (Turnover rate in prior to previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Turnover rate for Permanent Employees (%)	11	8	11	13	12	13	13	22	13
Turnover rate for Permanent Workers (%)	3	NA*	3	3	NA*	3	2	NA*	2

**No females left the company in the reporting periods.*

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. **(a) Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
i)	SPR Engenious Limited	Wholly-owned Subsidiary	100.00	Yes
ii)	SPR EMF Innovations Private Limited (SPR EMFI) *(formerly EMF Innovations Private Limited)*	Step-down Subsidiary*	66.42	Yes
iii)	SPR Takahata Precision India Private Limited (SPR Takahata) *(formerly Takahata Precision India Private Limited)*	Step-down Subsidiary*	62.00	Yes
iv)	SPR TGPEL Precision Engineering Limited *(formerly TGPEL Precision Engineering Ltd./originally Timex Group Precision Engineering Ltd.)*	Step-down Subsidiary*	100.00	Yes

**The Company acquired the equity stake in SPR EMFI, SPR Takahata & SPR TGPEL through its wholly owned subsidiary SPR Engenious Limited.*

The Company has also acquired 100% equity stake in Karna InterTech Private Limited on 1st April 2025.

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover (in Rs.) : Rs. 31,795.09 million

Net worth (in Rs.) : Rs. 24,090.86 million

VII. Transparency and Disclosures Compliances

25. **Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks (e.g., categorization of grievances if available)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	The Company takes its stakeholder grievances very seriously. Towards this, we have a dedicated email ID for all stakeholders to raise their queries, concerns, or feedback by writing to compliance.officer@shrirampistons.com. *This mailbox is monitored/ tracked regularly to ensure timely attention.*	Nil	Nil	-	Nil	Nil	-
Investors (other than shareholders)	Additionally, the Company also has a Grievance Redressal Policy to govern and provide oversight on all grievance mechanisms of the company.	Nil	Nil	-	Nil	Nil	-
Shareholders	This is dedicated for each stakeholder and communicated on a periodic basis.	Nil	Nil	-	Nil	Nil	-
Employees and workers		Nil	Nil	-	Nil	Nil	-
Customers		46	03	The pending complaints are being actively addressed in accordance with our Grievance redressal policies and rocedures, ensuring that customer satisfaction remains at the forefront of our priorities. We appreciate the continued trust and patience of our customers as we work to resolve these matters promptly and effectively	50	Nil	Considering the normal turnaround time required to resolve consumer complaints, all the complaints have been resolved during the year for all the businesses up to customer satisfaction.
Value Chain Partners		Nil	Nil	-	Nil	Nil	-

26. **Overview of the entity's material responsible business conduct issues**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy and Emissions	Both	Energy and Emissions management represents both a considerable opportunity and mitigation-demanding risk for the company. On the risk front, stringent regulatory standards and the global transition towards greener manufacturing practices impose potential operational challenges and financial liabilities, particularly under the pressing threats identified by the board, such as those associated with the IC engine's viability long term. Embracing these changes presents the company with opportunities to innovate through the adoption of cleaner, more efficient technologies, enhancing operational efficiency and competitive positioning in a marketplace increasingly governed by environmental sustainability imperatives.	To address this dual aspect of risk and opportunity effectively, the company is strategically enhancing its energy management systems and targeting a reduction in emissions through several initiatives. First, significant investments are directed towards upgrading existing electrical fittings to ensure higher energy efficiency and lower emissions. The company is also expanding its reliance on renewable energy sources, aiming for a sizeable percentage of its total energy consumption to be sourced sustainably. Furthermore, continuous monitoring and reporting systems are being implemented to track progress and make data-driven adjustments promptly. These steps align with the broader ESG goals set by the board and cater to risk mitigation amidst the economic disruptions.	Positive
2	Supply Chain Sustainability	Both	The Company recognizes supply chain sustainability as both a risk and an opportunity that significantly influences its overall success. Risks arise from potential disruptions caused by economic downturns, geopolitical tensions, or environmental catastrophes, which have been exacerbated due to global instabilities. Additionally, with intensifying competition due to over-capacity and fluctuations in the replacement business, maintaining a resilient supply chain is more crucial than ever. Conversely, effectively managing these risks presents significant opportunities for boosting operational efficiency, enhancing brand reputation, and achieving compliance with increasing regulatory demands around environmental, social, and governance (ESG) standards.	To combat potential risks and harness opportunities, the company has embarked on several strategic initiatives aimed at bolstering the resilience and sustainability of its supply chain. Key among these is the diversification of supply sources to minimize dependency on any single supplier or region, thereby mitigating potential disruption risks. The company is also increasingly engaging with suppliers on sustainability practices, ensuring that they align with the company's ESG goals. This includes regular sustainability audits and collaborative efforts to improve environmental performance across the supply chain.	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Employee Health, Safety, and Well-being	Opportunity	The Company views employee health, safety, and well-being as pivotal components of our strategic framework that drive substantial business value and operational excellence. By positioning these elements at the core of our operating principles, we align ourselves with international best practices, enhancing our reputation and establishing our company as a leader in workforce management. This proactive approach elevates our industry standing fostering a resilient and agile corporate culture capable of attracting and retaining exceptional talent, thereby promoting innovation and sustained productivity within our teams.	-	Positive
4	Digital Security and Data Privacy	Risk	The significance of digital security and data privacy cannot be understated, especially in an era where cyber threats are escalating in complexity and magnitude. The reliance on digital technologies for operational needs, coupled with the integration of sophisticated data-driven decision-making processes, places the company at a greater risk of cyber incidents. Such risks not only threaten the integrity of crucial business data but also pose substantial regulatory and reputational risks in case of data breaches.	To mitigate these risks, the company has adopted a robust and proactive approach towards digital security and data privacy. Our strategy is centered around implementing state-of-the-art cybersecurity technologies that encompass advanced threat detection systems and strong encryption methods to protect data integrity and confidentiality. In addition, we conduct regular security audits and vulnerability assessments to identify and rectify potential security gaps in our digital infrastructure. Employee training programs are systematically rolled out to heighten awareness of cybersecurity best practices and data privacy laws, ensuring that all employees understand their critical roles in maintaining our security posture.	Negative
5	Corporate Governance and Compliance	Opportunity	The Company's corporate governance and compliance proposes significant opportunities to strengthen the company's market position and enhance stakeholder trust. Strong governance structures support transparent decision-making processes, ethical business operations, and consistent compliance with evolving regulations. These factors are crucial amid increasing global scrutiny over corporate practices. Improved governance and strict compliance also fortify investor confidence and foster positive relationships with regulators, customers, and the community.	-	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Talent Management and Diversity	Both	The Company recognizes talent management and diversity as a vital opportunity to enhance organizational capabilities and drive innovation. In today's competitive business environment, where talent is a critical asset, fostering a diverse and inclusive workforce enables the company to approach problems and opportunities from varied perspectives, enhancing creativity and decision-making.	The Company acknowledges that talent management and diversity also present potential risks if not effectively addressed. The inability to attract, develop, and retain skilled talent, particularly in a highly specialized manufacturing environment, can lead to operational inefficiencies, increased recruitment costs, and loss of competitive advantage. Furthermore, a lack of diversity and inclusion may hinder the company's ability to foster innovation, adapt to evolving market demands, and meet the expectations of global stakeholders. As industry standards and customer expectations continue to evolve, any gaps in managing talent or promoting an inclusive culture may pose reputational and compliance risks, impacting long-term sustainability and growth.	Positive
7	Product Innovation and Lifecycle Management	Opportunity	The Company witnesses product innovation and lifecycle management as strategic opportunities enabling the company to remain competitive in a rapidly changing automotive landscape. With the automotive industry facing external shifts such as the threat to internal combustion (IC) engines and the increasing demand for sustainable automotive solutions, the capacity to innovate and effectively manage the lifecycle of our products from design to disposal becomes crucial. Proactive management and innovation in our products allow us to meet regulatory and environmental standards and lead the market with our competitive product offerings.	-	Positive
8	Community and Social Responsibility	Opportunity	The Company understands that community and social responsibility extends beyond corporate borders and plays a critical role in sustainable business practices. Engaging proactively with the communities where we operate enhances our goodwill; it's strategically integral to our business model. The potential to bolster community relations aligns with our core values and enhances our brand reputation, potentially leading to increased business opportunities.	-	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9	Climate Change Adaptation and Mitigation	Both	Climate change poses unique challenges and opportunities for the company, given the inherent vulnerability of manufacturing operations to environmental impacts and the evolving regulatory landscape on emissions and sustainability. From a risk perspective, the physical impacts of climate change, including increased frequency of natural calamities, can disrupt production processes and supply chains, directly affecting operational efficiency and costs. Additionally, policy changes aiming to reduce carbon footprints and greenhouse gas emissions could impose stricter compliance requirements, affecting the production and marketability of IC engines, which are under environmental scrutiny. Conversely, these challenges present a strategic opportunity for the company to lead in sustainability by innovating and adapting products and processes that are environmentally friendly and by enhancing resource efficiency, potentially opening new markets and strengthening consumer trust in the brand as a responsible environmental steward.	To navigate the risks and seize the opportunities associated with climate change, the company is adopting a dual strategy of adaptation and mitigation. Adaptation efforts include enhancing operational resilience by incorporating third party assessments and investing in diversifying the supply chain to minimize the risk of disruption. On the mitigation front, the company is actively reducing its carbon footprint through initiatives such as improving energy efficiency in its manufacturing plants, shifting toward more sustainable energy sources, and pursuing innovations in product design to reduce environmental impact. Additionally, the company is increasing investments in research and development focused on next-generation technologies, such as electric and hybrid vehicle components, aligning with global shifts toward reducing reliance on fossil fuels.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Description		This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.								
S. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policy and Management Processes									
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No).	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Yes, the Company's governance framework ensures that key policies are approved by either the Board, or a Committee of the Board, or the MD & CEO of the Company, depending on the nature of the policy and regulatory requirements, if any. Accordingly, all policies of the Company are approved by one of these three authorities.								
	c. Web Link of the Policies, if available	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Protection Against Victimization	Y		Y		Y				
	Employment Policy			Y						
	Tax Strategy	Y								
	Stakeholder Engagement Policy				Y					
	IT-Cyber Security Policy	Y			Y					Y
	Grievance Redressal Policy – Internal				Y	Y				

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	c. Web Link of the Policies, if available	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Grievance Redressal Policy-External				Y					Y
	Fair Trade Policy	Y	Y							
	Code of Ethics and Conduct	Y								
	Business Ethics Policy	Y								
	Anti-Corruption and Anti-Bribery Policy	Y			Y					Y
	Code Of Conduct For Regulating, Monitoring And Reporting Of Trades By Directors, Designated Persons And Immediate Relative Under The Sebi (Prohibition Of Insider Trading) Regulations, 2015	Y								
	Environment Protection Policy		Y				Y			
	Environment Social and Governance Policy		Y				Y			
	Equal Opportunity for Work and Pay Policy			Y					Y	
	Equal Opportunity Policy								Y	
	Human Rights Policy				Y	Y				
	Sustainable Procurement Policy						Y			
	Sustainable Supply Chain Policy		Y				Y			Y
	Policy On Related Party Transactions	Y								
	Code Of Practices & Procedures For Fair Disclosure Of UPSI	Y			Y			Y		
	Nomination & Remuneration Policy	Y								
	Whistle Blower Policy				Y			Y		
	All the policies are available at https://shrirampistons.com/investors-guide-2/									
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes, all policies of the company have been translated into procedures, which are in various stages of implementation. Various executive committees designated with specific responsibilities have also been constituted for operationalizing these policies.								
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The Company carries a host of national and international codes, certifications and labels, being a manufacturer of various automotive parts. Few of our certificates include ISO 14001, ISO 45001, IATF16949, ISO 27001 Our policies are also developed considering relevant national acts like the Factories Act, of 1948, the Companies Act of 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations of 2015, and various other Statutes which refers to National / International codes, certifications, labels and standards								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	**Environment** • To be Carbon Neutral by FY 2045. • Reduce emission intensity by over 50% by FY 2030. • Source 50% of total energy needs of the Compan from Renewable Sources by FY 2030. • Reduce water intensity by 35% by FY 2030. • Eliminate Single Use Plastics by FY 2027. • Reduce Waste Intensity by 5% on a year-on-year basis. • Ensure Zero Waste to Landfill by FY 2030.								

		Social • Ensure a Zero Accident Workplace. • Achieve 20% women in leadership positions by 2030. • Double the Female workforce by FY 2030. • Ensure 100% training of all contractual workers on Wellbeing and NGRBC principles by FY 2030. **Governance** • Ensure 100% coverage of business ethics Trainings by FY 2026.
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	**Environment** • Achieved target of reducing energy intensity by 31.9%. • Achieved renewable energy sourcing of 19.8%. • Reduced water intensity by 29.2%. • Total waste generated increased by 20.3% as compared to FY 2023-24. • Increased Waste Recycling by 3% compared to % of total waste recycled. • Total Waste to Landfill is 47.94 MT, as compared to 279.17 MT in FY 2023-24. **Social** • 03 accidents observed in the reporting period which were addressed through our grievance redressal channels. • 2.9% women in workforce as on 31st Mar. 2025. • 17.4% women in leadership positions. • 94.68% of all contractual workers trained on well-being and 09 NGRBC principles. **Governance** • 97% of Employees provided training on Business Ethics.
S No.	**Governance, leadership, and oversight**	
7	Statement by director responsible for the business responsibility report, high-lighting ESG related challenges, targets, and achievements	The Company is dedicated to integrating Environmental, Social, and Governance (ESG) principles into our core operations. Our sustainability journey is characterized by various challenges, ambitious goals, and significant accomplishments. One of our main challenges is reducing our carbon footprint and managing waste effectively, which we tackle by continuously enhancing energy efficiency and adopting cleaner technologies. Socially, we prioritize the well-being and safety of our employees, especially during the ongoing pandemic, and maintain strong community relations. In terms of governance, we strive to uphold the highest standards of corporate governance and ensure compliance with evolving regulations. Our goals include achieving carbon neutrality by 2045 through the adoption of renewable energy and energy efficiency improvements and reaching zero waste to landfill by 2026 through robust waste management practices. We are also committed to providing a safe and healthy work environment, aiming for zero workplace accidents and enhanced employee engagement. Among our achievements, we have reduced energy consumption over the past three years, positively impacted over 1,00,000 lives through our CSR initiatives, and received recognition for our strong corporate governance practices. We believe that our commitment to ESG principles will drive sustainable growth and contribute to a better future for all.

8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy / (ies).	Board of Directors
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Company has established the Environmental, Social and Governance Committee ('ESG Committee'), chaired by the MD & CEO and including Senior Management Personnel. The committee is tasked with advising and guiding the board in its oversight duties and providing recommendations on the company-wide ESG strategies and practices. The roles and responsibilities of the ESG Committee include: • Overseeing and evaluating the alignment of the company's strategies, policies, and initiatives with emerging developments in the ESG sphere. • Incorporating relevant initiatives concerning Environment, Health and Safety, Corporate Social Responsibility, Sustainability, and other public policy-related activities and proposals. • Assessing ESG-related risks and opportunities, and overseeing the development and implementation of management's goals, standards, and metrics to measure the company's ESG performance. • Approving ESG public disclosures and managing the company's interactions with stakeholders on ESG issues, including reviewing feedback from these disclosures. • Examining processes for monitoring the company's ESG performance. • Ensuring adherence to mandatory ESG disclosures such as BRSR and reviewing their compliance consistently. • Conducting regular assessments of the company's progress in ESG matters either weekly or monthly. Moreover, the Board has constituted additional committees, each responsible for specific aspects of the company's sustainability-related policies: • **Corporate Social Responsibility (CSR) Committee:** This committee oversees the company's CSR projects. It proposes the annual action plan which includes resource allocation for CSR initiatives to the board for approval. • **Risk Management Committee:** This committee aids the board in managing various risks including strategic, financial, operational, sectoral, sustainability, ESG, information, cyber security, and compliance risks. It ensures the implementation of effective methodologies and systems to monitor and assess these risks. • **Stakeholders' Relationship Committee:** This committee addresses and resolves shareholder grievances concerning issues like non-receipt of annual reports, issues with the transfer and transmission of securities, and non-receipt of dividends or interest. • **Audit Committee:** The committee is responsible for supervising the management's financial reporting process, ensuring the accuracy, transparency, integrity, and quality of financial disclosures. It oversees the work of internal, statutory, and cost auditors and reviews the processes and safeguards in place. • **Nomination and Remuneration Committee:** It manages the company's nomination process and succession planning for senior management and the board. It helps identify and review candidates for executive and non-executive director positions and defines roles for independent directors. The committee also assists the board in setting compensation for the company's executive directors, KMPs, and senior management.

10.	Details of Review of NGRBCs by the Company:																	
	Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Performance against above policies and follow up action	The Senior Management of the Company regularly evaluates the performance in accordance with various policies of the company. Additionally, updates regarding key elements of the policies are regularly communicated to the Board and its various committees.									Policies are reviewed periodically or on a need basis from time to time and necessary updates are made wherever required								
	Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company adheres to all relevant regulations and addresses any instances of non-compliance. A Statutory Compliance Certificate is issued by the MD & CEO/Chief Financial Officer/the Company Secretary & Compliance Officer to the Board of Directors.									Annual Basis								
11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.										P1	P2	P3	P4	P5	P6	P7	P8	P9
											No. However, as part of overseeing internal financial controls, the Board/Committees and the Senior Management ensure compliance with the policies stated above. The Company has obtained certifications under various national and international standards, including ISO 45001:2018/OHSAS 18001, ISO 14001:2015, ISO 9001:2015, IATF 16949:2016, ISO 27001:2022, etc. These certifications include assessments of the Company's policies by independent external assessors such as TÜV and other accredited bodies. Additionally, the Company has undergone independent evaluations and sustainability assessments by reputed agencies such as Dun & Bradstreet (D&B) and EcoVadis, which further validate the effectiveness and implementation of its policies across environmental, social, and governance parameters.								
12.	**If answer to question (1) under Policy and Management Processes is "No" i.e., not all Principles are covered by a policy, reasons to be stated:**																		
	Questions										P1	P2	P3	P4	P5	P6	P7	P8	P9
	The entity does not consider the principles material to its business (Yes/No)										Not Applicable								
	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)																		
	The entity does not have the financial or / human and technical resources available for the task (Yes/No)																		
	It is planned to be done in the next financial year (Yes/No)																		

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	11	Principle 1: Ethics, Code of Conduct and Governance Principle 2 to 9: BRSR Training for all BoDs An overview of the current landscape of the automotive industry, highlighting key governance and regulatory developments, global business trends, CSR and financial reporting practices. It also covers whistleblower mechanisms, related party transaction compliance, materiality policies, risk management, cybersecurity, and ESG commitments.	100%
Key Managerial Personnel	23	Principle 1: Ethics, Code of Con-duct and Governance Principle 2 to 9: BRSR Training for all BoDs Key Managerial Personnel are kept informed on relevant regula-tory updates and compliance requirements. Areas of focus in-clude corporate governance, Companies Act, SEBI regulations, ESG, cybersecurity, code of con-duct, whistleblower policy, POSH, HR and welfare policies, financial reporting, insider trading norms, related party transactions, and disclosure obligations. Global and national financial and busi-ness trends are also regularly shared.	100%
Employees (other than BoD and KMPs)	189	Principle 3: Health and Safety Principle 5: Human Rights and POSH Training sessions focused on key areas including 6Ps, POSH, risk assessment, emergency preparedness, ESG, ISO 14001 & 45001, quality tools, root cause analysis, cybersecurity, TPM, strategic planning, finance for non-finance, insider trading, customer complaint handling, team building, and employee well-being.	87.90%
Workers	2,764	Principle 3: Health and Safety Principle 5: Human Rights and POSH Awareness programs covered behaviour-based safety, fire safety, emergency preparedness, PPE usage, hand safety, and chemical handling. Sessions also focused on discipline, teamwork, factory law compliance, unconscious bias, mental wellness, workplace happiness, measurement tools and calibration, along with the associate's role in quality improvement.	94.68%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principles	**Name of the regulatory / enforcement agencies / judicial institutions**	**Amount (In INR)**	**Brief of the case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine	1	Assistant Commissioner, CGST, Bhiwadi, Alwar (Rajasthan)	Penalty of INR 1,42,52,553/- and applicable interest	Supply of storage bins and circlips be treated as mixed supply and GST be leviable at higher rate as applicable to principal supply.	Yes
	1	Dy. Commissioner of State Tax, Pune (Maharashtra)	Penalty of INR 31,57,259/- and Interest of INR 2,63,68,660/-	Alleged variation in taxable amount as per (i) E-way bills/ trial balance and GST return; (ii) tax not paid on freight outward etc.	Yes
	1	Assistant Commissioner, Sector-3 (Mobile Squad-2), Ghaziabad	Penalty of INR 8,47,826/-	Mismatch between actual vehicle no. and vehicle no. mentioned on E-way bill.	Yes
	1	Assistant Commissioner, Division-III, CGST, Ghaziabad	Penalty of INR 36,45,828/- & INR 25,000/-	Mismatch of GST between tax payable as per table 4 + tax declared in table 10 - tax declared in table 11 of annual return during FY 2017-2018.	Yes
	1	Assistant Commissioner, Division-III, CGST, Ghaziabad	Penalty of INR 80,33,150/- & interest as applicable	Company has availed or utilised wrong GST input credit.	Yes, order rectified in Company's favor.
Settlement	Not applicable				
Compounding fee	Not applicable				

Non-Monetary					
	NGRBC Principles	Name of the regulatory / enforcement agencies / judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred?
Imprisonment	Not applicable				
Punishment	Not applicable				

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

As part of the Company's Code of Conduct, we have established anti-corruption and anti-bribery guidelines. We uphold a strict zero-tolerance policy towards corruption and bribery, enforced through our Anti-Corruption & Anti-Bribery Policy, which mandates severe consequences for anyone involved in such unethical activities. This policy applies to all employees, the Board of Directors, and senior management. It prohibits employees from offering or accepting bribes in any form, including gifts, donations, hospitality, or entertainment, from current or potential suppliers, customers, or any third parties involved in business dealings. To ensure understanding and adherence to this policy, all employees are encouraged to participate in training sessions.

The weblink of the Anti-Corruption and Anti-Bribery Policy of the Company: https://shrirampistons.com/wp-content/uploads/2024/08/ANTI-CORRUPTION-AND-ANTI-BRIBERY-POLICY.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest:

	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	NIL	-	NIL	-
Number of complaints received in relation to issues of conflict of interest of the KMPs	NIL	-	NIL	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Regulatory Action	FY 2024-25 (Current Financial Year)				
	Incident description	Number	Incident type	Corrective action	Attachment of MOM
NIL	Not Applicable				
Regulatory Action	**FY 2023-24 (Current Financial Year)**				
	Incident description	**Number**	**Incident type**	**Corrective action**	**Attachment of MOM**
NIL	Not Applicable				

8. Number of days of accounts payables (Accounts payable * 365) / Cost of goods / Services procured) in the following format

(BRSR Core Attribute 8: Fairness in Engaging with Customers and Suppliers) –

	FY 2024-25	FY 2023-24
Number of days of accounts payables	107	103

9. Open-ness of business:

(BRSR Core Attribute 9: Open-ness of business)

Provide details of concentration of purchase and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	19.56	18.85
	b. Number of trading houses where purchases are made from	552	676
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	15	12.75[1]
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	28.3	30.10
	b. Number of dealers / distributors to whom sales are made	1,019	1,140
	c. Sales to top 10 dealers/distributors as % of total sales to dealers / distributors	33.32	44
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	4.23	5.27
	b. Sales (Sales to related parties/Total Sales)	0.17	0.17
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	33	-
	d. Investments (Investments in related parties/Total Investments made)	97.86	88.56

[1]SPRL has conducted a robust data management exercise in the reporting period and is considering the disclosed figures as the correct baseline for the future years of reporting.

Leadership Indicators

1. Awareness programs conducted for value chain partners (VCP) on any of the principles during the financial year:

Total number of awareness programs held for VCP	Topics / principles covered under the training	Attendance of VCP	Total VCPs	%age of value chain partners covered (by value of business done with such partners) under the awareness programs
The Company is committed to building a sustainable value chain to ensure that our collaborations are free of environmental, social, and governance concerns and that we achieve consistent and sustainable growth. The Company's business partners are an integral part of the ecosystem, and the Company encourages its business partners to be responsible corporate citizens. The Company has in place a documented Code of Conduct for Suppliers to emphasize its commitments in the areas of business integrity, human rights, labor practices, environment stewardship, etc. All the agreements/contracts/purchase orders entered by the Company with the business partners include stated confirmation on the above-mentioned aspects. The Code of Conduct for Suppliers is available at https://shrirampistons.com/pdf/Suppliers-code-of-conduct.pdf. The Company takes several initiatives to create awareness amongst its value chain partners on key issues related to the 9 Principles of the National Guidelines for Responsible Business Conduct. Company's value chain partners frequently undergo awareness sessions on the Company's Anti-Bribery and Anti-Corruption Policy, the SPRL Code of Conduct, and the Prevention of Sexual Harassment Policy. Key topics covered under these awareness sessions include Governance, Ethics, Health and Safety, Labour Practices, and Human Rights.				

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

The Company has put in place robust mechanisms to identify, prevent, and address conflicts of interest involving members of its Board of Directors, in alignment with the terms of their appointment. To support this, the Company has adopted a Code of Conduct, an Insider Trading Prevention Policy, and a Related Party Transactions Policy, all of which are applicable to the Board.

These frameworks require Directors to always act in the best interests of the Company and to ensure that any external business or personal associations do not create a conflict with the Company's operations. In the event of any actual or potential conflict, the concerned Director must promptly disclose the matter and seek the necessary approvals in accordance with relevant laws and internal policies.

Furthermore, each Director is required to submit an annual declaration confirming their adherence to the Code of Conduct, including its provisions related to conflict of interest.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D	100	100	The cost includes overall expenditure including the expenditure made on environmental and sustainability related projects like low-carbon transition, energy efficiency, establishing circular economy and developing techno-economic solutions.
Capex	15	11	Includes investments in CO2 and other air emission (SOx, NOx and dust) reduc-tion, water conservation and effluent treatment, solid waste utilisation, im-provement of safety and employee welfare initiatives.

The Company's Research & Development initiatives combine top-class innovation with cutting-edge technology to deliver solutions in a constantly changing world. The Company also works closely with its customers to ensure they get all the support they need to design new products and applications. The R& D center at Ghaziabad focuses on process and product research, emphasizing the on developing application technologies for current and future mobility.

2. (a) Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, we have established a Sustainable Supplier Assessment Framework to guide our procurement practices. Majority of our purchases by value are sourced from suppliers certified under ISO 14000 or OHSAS 18000, demonstrating a strong commitment to environmental and occupational health standards. We are dedicated to procuring high-quality components while encouraging and supporting our suppliers in complying with all relevant regulatory requirements.

Our comprehensive Sustainable Procurement Policy, publicly available at https://shrirampistons.com/wp-content/uploads/2025/06/Sustainable-Procurement-Policy-1.pdf emphasizes integration of Environmental, Social, and Governance (ESG) principles throughout our supply chain. The policy includes guidelines on environmental criteria, life cycle assessments, regulatory compliance, supplier collaboration, and continuous improvement.

In line with our commitment to sustainability, we have adopted several environmentally responsible practices in sourcing and operations, including:

- A strict no-use for wood and single-use plastic in our procurement and packaging processes.
- Use of recycled alloys in manufacturing to conserve natural resources and reduce environmental footprint.

We maintain accountability through robust supplier monitoring, periodic audits, and annual performance reviews. These initiatives reflect our ongoing commitment to sustainable sourcing, innovation, and alignment with global best practices.

(b) If yes, what percentage of inputs were sourced sustainably?

17%

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Product	Process for Safe Reclamation
a. Plastics (including packaging)	The Company is registered as a brand owner and importer with the CPCB under the EPR obligation, in compliance with the Plastic Waste Management Rules. It has partnered with CPCB-authorized Plastic Waste Reprocessing agencies to recycle plastic waste.
b. E-Waste	The Company is registered in accordance with the E-Waste Management Rules as a producer with the CPCB and has committed to Extended Producer Responsibility (EPR). We have established collaborations with authorized e-waste recyclers who are CPCB-approved to ensure the environmentally sound management of end-of-life electronic products. This partnership aids in the responsible recycling, reusing, and safe disposal of e-waste, minimizing the environmental impact and promoting sustainability.
c. Hazardous Waste	The Company is duly registered with the Central Pollution Control Board (CPCB) as a producer under the Hazardous Waste Management Rules and is committed to compliance with its Extended Producer Responsibility (EPR) obligations. We have formed strategic alliances with CPCB-certified hazardous waste treatment and disposal facilities to ensure proper handling, treatment, and disposal of our hazardous waste. This meticulous approach allows us to not only adhere to regulatory standards but also to contribute actively to the prevention of environmental contamination and promote sustainable waste management practices. Major Hazardous Waste by the type of disposal method are listed below: - Oily Cotton Rags - Disposed of to the authorized party for Co-processing - Grinding Sludge - Disposed of to the authorized party for treatment & recycling - ETP Sludge - Disposed of to the authorized party for Co-processing - Used/ Waste Oil - Disposed of to the authorized party for incineration - Empty Container - Disposed of to the authorized party for treatment & recycling - Multi Effect Evaporator Salt - Disposed of to the authorized party for landfilling at Government authorized site - Aluminum Dross - Disposed of to the authorized party for recycling

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, the Company has obtained Plastic Waste EPR registration under the Plastic Waste Management Rules, 2016. The plastic packaging introduced into the market is recycled through CPCB-authorized plastic waste re-processors. During the year 100% of the plastic packaging introduced into the market was recycled by these agencies.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
281	Pistons, Piston Rings, Piston Pins, Engine Valves	97	Well to Wheels	No	No

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the life cycle perspective / assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

There are no significant social or environmental concerns and risks which arise from the disposal of the Company's products. However, the production of our products is an energy-intensive process with a substantial emission footprint. Therefore, the Company feels a strong sense of responsibility and has committed to being Net Zero across all operations by 2045.

Name of Product / Service	Description of the risk / concern	Action Taken
Chromic acid	Health & Safety Risk	Chromic acid is used in the surface coating process. The effluent generated from the process is treated chemically at ETP. The sludge thus generated is packed in HDPE bags and sent to the authorized TSDF site for further treatment and disposal.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate Input Material	Recycled or re-used material to total material	
	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Raw Material - Ferrous/Non-Ferrous (Process solid waste)	58.33%	68.00%

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. Well-being of employees and workers

a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	1,326	1,326	100	1,326	100	Not Applicable		-	-	-	-
Female	66	66	100	66	100	66	100	Not Applicable		29	43.94
Total	**1,392**	**1,392**	**100**	**1,392**	**100**	**66**	**100**	**-**	**-**	**29**	**2.08**
Other than Permanent Employees											
Male	88	54	61.36	54	61.36	Not Applicable		-	-	-	-
Female	12	8	66.67	8	66.67	2	16.67	Not Applicable		1	8.33
Total	**100**	**62**	**62.00**	**62**	**62.00**	**2**	**16.67**	**-**		**1**	**1.00**

b. Details of measures for the well-being of workers:

Category	% of Workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	2,465	2,465	100	2,465	100	Not Applicable		-	-	-	-
Female	-	-	-	-	-	-	-	Not Applicable		-	-
Total	2,465	2,465	100	2,465	100	-	-	-	-	-	-
Other than Permanent Workers											
Male	5,914	5,887	99.54	5,887	99.54	Not Applicable		-	-	-	-
Female	216	216	100	216	100	194	89.81	Not Applicable		173	80.09
Total	6,130	6,103	99.56	6,103	99.56	194	89.81	-	-	173	2.82

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

(BRSR Core Attribute 5: Enhancing Employee Wellbeing and Safety)

Cost incurred on well-being measures as a % of total revenue of the Company	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
	0.13	0.15[2]

Note: For calculating the spending on measures towards well-being of employees and workers, the Company has considered the expense incurred towards employees/workers Health Insurance, Life Insurance, Medical Expenses, Sports Activities, Safety excellence rewards and other relevant expenses, net of any recoveries made from the employees/workers.

2. Details of retirement benefits, for Current FY and Previous Financial Year.

The Company provides retirement benefits to all its employees, which are aligned with regulatory requirements and market practices. Key retirement benefits offered by the Company are:

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as % of total employees	No. of workers covered as % of total workers	Deducted and deposited with the authority (Y/N/N.A)	No. of employees covered as % of total employees	No. of workers covered as % of total workers	Deducted and deposited with the authority (Y/N/N.A)
Employee Provident Fund	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
Employees' State Insurance (ESI)	100	100	Yes	100	100	Yes
Others – Mediclaim	100	100	Yes	-	-	-

A brief description of all the schemes is provided below:

i. **Employees' Provident Fund:** Defined contribution scheme with a lump sum payment at superannuation, applicable to the Company.

ii. **Gratuity:** Defined benefit scheme with a lump sum payment at superannuation, applicable to the Company.

[2] SPRL has conducted a robust data management exercise in the reporting period and is considering the disclosed figures as the correct baseline for the future years of reporting.

iii. **Employees' State Insurance Benefits:** The Employees' State Insurance Act is a social security legislation that provides medical care and cash benefit in the contingencies of sickness, maternity, disablement, and death due to employment injury to workers in India.

iv. **Superannuation Fund:** Defined contribution pension scheme for permanent employees (other than permanent workers) of the Company.

v. **National Pension Scheme:** Defined contribution retirement savings scheme applicable to the Company. The scheme is voluntary.

vi. **Employees' Pension Scheme:** Savings scheme that assures a pension to employees after retirement, wherein a part of the employer's contribution to the Employee Provident Fund is made towards the Employee Pension Scheme.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. The Company ensures that its premises and offices are accessible to differently abled employees and workers, adhering to the Rights of Persons with Disabilities Act, 2016 in line with our Equal Opportunity for Work and Pay *Policy. (https://shrirampistons.com/wp-content/uploads/2024/06/EQUAL-OPPORTUNITY-FOR-WORK-AND-PAY-POLICY.pdf)* We have implemented all necessary facilities and accommodations to support accessibility. In any areas that may not yet meet these standards, the Company is proactively making modifications and improvements to achieve full compliance.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy

The Company ensures equal employment opportunities, free from discrimination based on age, color, disability, marital status, nationality, race, religion, or sex. We implement an Equal Opportunity policy to ensure non-discrimination and compliance with anti-discrimination laws. The policy covers all aspects of employment and prohibits harassment, ensuring a fair and inclusive workplace. The policy is available on the given link:

https://shrirampistons.com/wp-content/uploads/2024/06/EQUAL OPPORTUNITY-FOR-WORK-AND-PAY-POLICY.pdf

5. Return to work[3] and Retention rates[4] of permanent employees and workers that took parental leave.

Particulars	Permanent Employees			Permanent Workers		
	Male	Female	Total	Male	Female	Total
Returned to work rate	-	100%	100%	-	100%	100%
Retention rate	-	100%	100%	-	100%	100%

Note: No males took paternity leave during the reporting period.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of mechanism in brief)	Details of mechanism
Permanent Worker	Yes	The Company has established an internal grievance redressal mechanism for employees and workers, facilitated through the Human Resources department and designated compliance officers. The company ensures prompt resolution of grievances through formal channels, regular employee feedback, and adherence to its Code of Conduct. A structured system is in place for raising concerns, which are reviewed and addressed confidentially and in a timely manner.
Other than Permanent Worker	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

[3] The Company has used the following formulas to calculate return to work rate, for each category of employee (male / female / others): (Total number of employees that did return to work after parental leave in the reporting period * 100)/ (Total number of employees due to return to work after taking parental leave in the reporting period) = Return to work rate

[4] Retention rate determines who returned to work after parental leave ended and were still employed 12 months later. It has been calculated using the following formula: (Total number of employees retained 12 months after returning to work following a period of parental leave * 100)/ (Total number of employees returning from parental leave in the prior reporting period)

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2024-25			FY 2023-24		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	1,392	-	-	1,367	-	-
Male	1,326	-	-	1,311	-	-
Female	66	-	-	56	-	-
Total Permanent Workers	2,465	2,465	100	2,520	2,520	100
Male	2,465	2,465	100	2,520	2,520	100
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category		FY 2024-25				FY 2023-24				
	Total (A)	On health & safety measures		On skill up-gradation		Total (D)	On health & safety measures		On skill up-gradation	
		No. (B)	%(B/A)	No. (C)	% (C/A)		No. (E)	%(E/D)	No. (F)	% (F/D)
Employees										
Male	1,414	850	60.11	1,185	83.80	1,332	827	62	1,142	86
Female	78	33	42.31	44	56.41	57	24	42	35	61
Total	1,492	883	59.18	1,229	82.37	1,389	851	61	1,177	85
Workers										
Male	8,379	7,305	87.18	6,020	71.85	6,723	2,561	38	5,401	80
Female	216	211	97.69	216	100.00	135	92	68	99	73
Total	8,595	7,516	87.45	6,236	72.55	6,858	2,653	39	5,500	80

At SPRL, continuous employee development is a key priority. Structured training programs are conducted to enhance skills at all levels, addressing both current operational needs and future readiness. These programs cover core areas such as safety, ethical practices, organizational values, and customer orientation.

Technical and functional skill development is a major focus across manufacturing and support functions. Additionally, employees receive training in business and leadership skills to strengthen managerial capabilities. With the industry evolving rapidly, special emphasis is placed on emerging areas such as digital technologies, sustainability, and agile work practices.

Training is delivered through a combination of classroom sessions, on-the-job learning, and expert-led workshops, ensuring alignment with business goals and individual growth.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Employees						
Male	1,414	1,414	100	1,332	1,318	99
Female	78	78	100	57	57	100
Total	1,492	1,492	100	1389	1,375	99
Workers						
Workers						
Male	8,379	8,379	100	6,723	6,268	93
Female	216	216	100	135	133	99
Total	8,595	8,595	100	6,858	6,401	93

The Company is committed to fostering a culture of continuous learning and development. It encourages employees to pursue higher education, professional certifications, and skill-enhancement programs relevant to their roles.

Support is provided through financial assistance, study leave, and access to internal and external learning platforms. These initiatives are closely integrated with the performance and career development framework, helping employees grow in alignment with their career goals and organizational needs.

10. Health and safety management system

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

The Company has successfully implemented the ISO 45001:2018 Occupational Health & Safety Management system across all manufacturing sites, providing comprehensive coverage for every employee. Each site features a dedicated Environmental, Health, and Safety (EHS) function tasked with the effective management of health and safety policies and procedures. Additionally, a Safety Committee, composed of both employees and senior management, spearheads safety initiatives at the site level. The EHS team conducts regular reviews and monitoring of safety performance, utilizing specific leading and trailing indicators to ensure compliance and efficacy. Integral to this management system are daily safety walks, regular safety training, periodic safety audits, a structured permit to work system, and rigorous contractor safety management, all of which contribute to maintaining high safety standards throughout the company's operations.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has a comprehensive Health and Safety policy that applies to all its operating locations, outlining the necessary parameters to be followed. To identify work-related hazards and assess risks on both routine and non-routine bases, we employ several key processes:

1. Hazard Identification and Risk Assessment: Conducted at regular intervals to ensure ongoing safety. This process helps in proactively addressing potential risks before they escalate.
2. Safety Audits and Inspections: Regularly performed to identify potential hazards and ensure compliance with safety standards. These audits help maintain a high standard of safety and identify areas for improvement.
3. Employee Suggestions: Actively sought to gather insights and recommendations for improving workplace safety. This encourages a collaborative approach to safety, ensuring that all voices are heard.
4. Employee Engagement in Safety Activities: Facilitated through safety meetings, communication sessions, toolbox talks, and events like Safety Month to promote a culture of safety. These activities foster a sense of responsibility and awareness among employees.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)

Yes, the Company has established comprehensive processes to ensure the safety and well-being of its workers. The company has implemented the ISO 45001:2018 Occupational Health and Safety Management System, which provides a structured framework for identifying, assessing, and mitigating workplace hazards.

Key Components of the Hazard Reporting and Risk Mitigation Process:

1. Safety Incident Reporting System:

- Workers are encouraged to report accidents, near misses, and identified safety hazards through a formal reporting system.
- Reports are directed to the Environment, Health, and Safety (EHS) department for prompt investigation and corrective action.

2. Toolbox Talks and Safety Committees:

- Regular toolbox talks are conducted to raise awareness about potential hazards and safe work practices.
- Site-level safety committees, comprising workers and management, meet periodically to discuss safety concerns and implement preventive measures.

3. **Training and Awareness Programs:**

   - Employees receive periodic training on hazard identification, risk assessment, and safe work procedures.
   - Training programs are designed to empower workers to recognize hazards and take appropriate actions to mitigate risks.

4. **Provision of Personal Protective Equipment (PPE):**

   - All employees are equipped with appropriate PPE to protect against identified hazards.
   - Regular checks are conducted to ensure the proper use and maintenance of PPE.

5. **Empowerment to Remove Themselves from Unsafe Conditions:**

   - Workers are empowered to stop work if they perceive an immediate threat to their health or safety.
   - A non-punitive approach is adopted to encourage workers to report unsafe conditions without fear of retaliation.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, employees at the Company have access to a range of non-occupational medical and healthcare services. The company recognizes the importance of supporting the overall well-being of its workforce, and as part of its commitment to employee health, the Company offers various health and wellness initiatives. These include regular medical check-ups, free diagnostic camps, and awareness programs on preventive healthcare. Additionally, the Company ensures that employees have access to necessary medical examinations and treatments to promote their long-term health.

11. Details of safety related incidents, in the following format:
(BRSR Core Attribute 5: Enhancing Employee Wellbeing and Safety)

Safety Incident/Number	Category	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.048	0
Total recordable work-related injuries	Employees	0	0
	Workers	3	0
Number of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy work place

In line with the Company's Health and Safety policy, various measures are taken to ensure a safe and healthy workplace for all employees and workers. The Company invest in technologies and processes to minimize manual interaction with machines and ensure compliance with statutory norms through safety audits.

Additionally, we design new facilities using the latest technology and incorporate comprehensive safety measures to minimize health risks. Recognizing our workforce as our most valued asset, we are dedicated to their safety and well-being. Measures implemented at all locations include:

1. Providing medical insurance coverage to all employees.
2. Ensuring first aid and other medical services are readily available at all locations.
3. Training personnel on best safety procedures and skills for efficient and safe duty performance.
4. Regular mock drills are conducted to assess the adequacy and readiness of the response plan. All incidents, near-misses, and observations are thoroughly investigated to implement timely mitigation measures.
5. Carefully monitoring occupational health to ensure processes are safe and do not harm personnel.

6. Qualified safety officers act as dedicated health and safety coordinators on the shop floor, ensuring the implementation of safe work practices. These coordinators, along with the central safety team, conduct regular safety walkthroughs.

7. Implementing inspection systems and conducting regular audits to identify and mitigate potential safety and health issues.

13. Number of Complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	Filed during the Year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	1	0	-	5	0	-
Health & Safety	1	0	-	0	0	-

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions	100

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Every safety incident and near-miss are subject to a detailed investigation, and appropriate risk mitigation measures are implemented based on the established standards for incident classification, reporting, and investigation. When an incident is reported, various methodologies are used to investigate and identify the root cause. The investigation team presents corrective and preventive measures, which are reviewed at multiple management levels. These corrective actions are then implemented across all locations. Some actions taken to improve safety conditions on the shop floor include:

1. Installing static charge dissipaters in fire-prone areas.
2. Adding hose reels at specific locations.
3. Installing hand railings around fire extinguishers to prevent collisions.
4. Providing fire suppression systems in exhaust ducts.
5. Acoustic enclosure on vibrating machines, etc.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, we provide life insurance and compensation packages to employees and workers in the event of death or permanent disability due to medical reason.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The contract between the Company and its suppliers incorporates statutory provisions including payment and deduction of statutory dues. The suppliers are responsible for adherence to various statutes required for their operations, whilst the Company is responsible as a principal employer.

The Company periodically conducts due diligence to ensure that value chain partners deduct and deposit the required statutory fees. This is also reviewed as part of our internal audit process. Additionally, we regularly engage with value chain partners to educate them about responsible business practices and ensure their adherence to statutory requirements.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been/ are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Total no. of affected employees/ workers		
	FY 2024-25	**FY 2023-24**
Employees	Not applicable	Not applicable
Workers	Not applicable	Not applicable
No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment		
	FY 2024-25	**FY 2023-24**
Employees	Not applicable	Not applicable
Workers	Not applicable	Not applicable

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

The Company is dedicated to supporting its employees through significant career transitions, such as retirement or termination of employment. To facilitate these transitions smoothly, the Company focuses on maintaining open lines of communication and consultation. Employees are encouraged to actively engage with the human resources team, allowing them to clarify any uncertainties and receive personalized advice tailored to their specific circumstances.

In line with this approach, the Company considers offering opportunities for contractual employment to retiring individuals on a case-by-case basis. This thoughtful evaluation ensures that support is customized to meet individual needs while aligning with the operational capabilities of the Company. This is part of our broader commitment to provide personalized support to our employees as they prepare to transition out of their roles.

Furthermore, recognizing the importance of health care benefits, the Company ensures that retirees continue to receive medical insurance coverage.

PRINCIPLE 4: Businesses should respect and prompt the well-being of all employees, including those in their value chains

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity

Creating sustainable value for stakeholders is central to the management strategy of the Company. We regularly engage with its stakeholders to understand their evolving needs, interests, and expectations. This engagement fosters mutual trust and close collaboration, recognizing that long-term value is co-created both within and outside the organization.

Stakeholder Identification Approach:

Stakeholders are identified based on two key criteria:

i. Their influence on the Company's internal decisions, policies, and operations, and

ii. The extent to which they are affected by the Company's business activities and strategic choices.

This dual perspective ensures that the Company's stakeholder engagement remains relevant, inclusive, and responsive.

Key Stakeholder Groups:

I. Internal Stakeholders:

- **Employees:** Considered a core asset, employees are engaged through structured communication, development opportunities, and a safe, inclusive, and healthy work environment. The company ensures equal opportunity and fair labor practices across all operations.
- **Senior Management and Board of Directors:** Responsible for upholding the highest standards of governance, integrity, and compliance, the leadership team ensures ethical conduct and oversight of sustainability and stakeholder concerns.

II. External Stakeholders:

- **Value Chain Partners (Suppliers, Dealers, and Distributors):** We maintain long-term relationships with partners based on mutual growth, transparency, and adherence to ethical business practices. Regular interactions help align them with the company's quality, sustainability, and compliance expectations.

- **Consumers:** We are committed to delivering high-quality products and services that meet safety and performance standards, along with robust after-sales support to ensure customer satisfaction.
- **Broader Community:** Our CSR initiatives are guided by its commitment to inclusive development. We actively engage in areas such as education, healthcare, sanitation, and environmental conservation, especially in communities around its operational sites.

Engagement is carried out through a variety of formal and informal channels, including employee feedback systems, vendor meetings, customer service platforms, community consultations, audits, surveys, and structured board-level reviews.

By systematically identifying and engaging with its key stakeholders, we ensure that stakeholder voices are incorporated into business strategy, risk management, and sustainability initiatives, thus reinforcing the company's long-term commitment to responsible business conduct.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisement, Community meetings, Notices Board, Website)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others)	Purpose and scope of engagement including key topics and concerns raised during such engagements
Employees & Workers	No	E-mails, internal newsletters, communication meetings, leadership site visits and interactions, employee engagement survey, Induction and regular training programs, toolbox talks, regular drills on safety.	Regularly	The Company's vision and mission, business performance and plans, employee welfare, health and safety, and support from management are all key focuses. Additionally, addressing workplace hazards and controls, promoting skill development, recognizing and rewarding employees, and raising awareness about core values are essential aspects.
Investors	No	Annual General meeting, corporate website, Annual Report, social media earning calls (maiden call), press releases, grievance redressal mechanism, newspaper, publications, emails & text messages.	Quarterly	Enhanced profitability and organizational growth, clear and effective communication, investor relations, and robust corporate governance practices
Regulatory Authorities	No	Periodic reports, regular direct and indirect interactions through industrial associations and other bodies.	Monthly/ Annually	Adherence to rules and regulations, timely submission of statutory reports, and addressing any issues raised by government or regulatory authorities.
Communities	Yes	Open dialogue with local communities, need based surveys to understand the community requirements, awareness meets and Health camps.	Regular engagement	Health and hygiene in rural communities, education and infrastructure development, and water conservation.
Value Chain Partners	No	Regular meeting with the suppliers, plant visits, Interactions on a regular basis.	Regular engagement	Share best practices among industries, competency development of local vendors, rewards and recognitions.
Customers	No	Regular personal interactions and discussions, market surveys, customer surveys, plant visits.	Regular engagement	Quickly addressing customer complaints, prioritizing product/ service quality and timely delivery, and fostering customer trust.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Company has institutionalized stakeholder engagement through designated Board-level committees. The Stakeholders Relationship Committee (SRC) reviews all shareholder-related matters, ensuring transparency and responsiveness. The Corporate Social Responsibility (CSR) Committee oversees the planning, implementation, and review of the Company's CSR programmes.

   Stakeholder consultations on key topics such as ESG, EHS, and sustainability are conducted regularly through structured mechanisms like employee interactions, community engagement, supplier dialogues, and customer feedback. Insights and developments from these engagements are reviewed by senior management and escalated to the Board. The Board is kept informed of these matters and provides guidance and feedback as necessary, ensuring that stakeholder perspectives are integrated into strategic decisions.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity**

   Yes, the Company's stakeholder consultation process is used to periodically appraise ESG risks and environmental and social topics that pose opportunities to business. Our customers provide us deep insight into topics such as carbon neutrality, energy investments in renewables, among others. The Company works to align policies and procedures to ensure greener products and practices with oversight of robust policies informed by our stakeholders. Our alignment with our customer policies to ensure synergy and engagement with value chain are also key activities to ensure inputs are incorporated.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   The Company actively identifies and engages with vulnerable and marginalized stakeholder groups through structured community needs assessments and stakeholder consultations. Based on these inputs, the Company implements focused CSR initiatives designed to promote inclusive development.

   Key areas of intervention include:

   - Preventive healthcare in underprivileged communities
   - Support to old age homes and elderly care initiatives
   - Educational assistance to students from disadvantaged backgrounds
   - Skill development and vocational training for unemployed youth and women
   - Assistance and inclusion programs for persons with disabilities
   - Women empowerment through self-help initiatives and livelihood support
   - Rural development and infrastructure improvement in underserved areas

   Each program is monitored by dedicated project committees that track implementation, address grievances, and take timely action where needed. Feedback from stakeholders is routinely incorporated to ensure relevance and effectiveness.

   The Company's commitment to equitable and inclusive growth ensures that the concerns of vulnerable groups are addressed in a responsive, transparent, and sustained manner.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

The Company provides regular training to all employees on its Code of Conduct and Ethics, which emphasizes integrity, fairness, and respect for human rights. The Code covers key areas such as non-discrimination, prevention of harassment, and compliance with laws. These trainings ensure employees uphold ethical standards and promote a respectful, inclusive workplace.

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	1,392	413	29.67	1,367	695	51
Other than Permanent	100	6	6.00	22	8	36
Total Employees	**1,492**	**419**	**28.08**	**1,389**	**703**	**51**
Workers						
Permanent	2,465	1,794	72.78	2,520	2,520	100
Other than Permanent	6,130	3,310	54.78	4,338	3,925	90
Total Workers	**8,595**	**5,104**	**60.00**	**6,858**	**6,445**	**94**

2. Details of minimum wages paid to employees and workers, in the following format:

100% of employees and workers of the Company are paid more than or equal to the minimum wage, as applicable in their respective jurisdiction.

Category	FY 2024-25[5]					FY 2023-24*				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	1,326	0	0	1,326	100	1,311	2	0.1	1,309	99.85
Female	66	0	0	66	100	56	-	-	56	100
Other than Permanent										
Male	88	0	0	88	100	21	-	-	21	100
Female	12	0	0	12	100	1	-	-	1	100
Workers										
Permanent										
Male	2,465	0	0	2,465	100	2,520	-	-	2,520	100
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent										
Male	5,914	1,455	24.60	4,459	75.40	5,286	1,223	23.1	4,063	76.86
Female	216	37	17.13	179	82.87	135	2	1.4	133	98.52

[5] Please note that last year reporting only consisted of Ghaziabad and Pathredi plants. However, the boundary of reporting has expanded in this reporting period to include assembly units of the Company. Hence, the performance data of current year are not strictly comparable with the last year.

* The Wages data for FY 2023-24 has been restated in this BRSR due to a correction in the calculation methodology identified during the current reporting cycle. The revised figures replace those reported in previous year's BRSR.

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (Rs. in Million)	Number	Median remuneration/ salary/ wages of respective category (Rs. in Million)
Board of Directors (BoD)	7	3.40	3	6.10
Key Managerial Personnel	4	50.57	0	Not Applicable
Employees other than BoD & KMP	1,324	0.80	66	0.81
Workers (Permanent)	2,465	0.49	0	Not Applicable

b. Gross wages paid to females as % of total wages paid by the entity, in the following format: (BRSR Core Attribute 6: Enabling Gender Diversity in Business)

	FY 2024-25	FY 2023-24
Gross wages paid to females as % to total wages	2.8	2.3

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, Ms. Poonam Bharti, the Chief Human Resources Officer, is responsible for addressing any human rights issues related to the business. The Company also has a Human Rights Policy, Code of Conduct & Ethics and POSH Policy designed to promote and protect human rights within the organization, its operations, and supply chain. The policy ensures no retaliation against employees or associates who raise concerns. We are dedicated to upholding fundamental human rights principles, ensuring fair treatment, dignity, and equality for all individuals associated with us, including employees, contractors, customers, and stakeholders. The policy aims to create a positive and inclusive work environment while adhering to international human rights laws and conventions. Additionally, an ESG Steering Committee meets quarterly to address any human rights impacts or issues related to the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

The Company recognizes the vital role businesses play in safeguarding human rights and is committed to upholding these rights for employees, communities, contractors, and suppliers. We provide a safe and supportive work environment for all. Transparency and openness are core values at every level. Employees are encouraged to share their concerns with their reporting manager or Senior Management members, and they can also independently contact the Human Resources department. We maintain an open-door policy, allowing any employee, regardless of hierarchy, to access Senior Management. Additionally, the Code of Conduct for Employees and the Whistle Blower Policy enable employees to anonymously report any suspected or actual misconduct, including human rights grievances. No reprisal or retaliatory action is taken against any employee or affiliate for raising concerns under this policy.

6. Number of Complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour/ Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other Human rights related issues	Nil	Nil	-	Nil	Nil	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:
(BRSR Core Attribute 6: Enabling Gender Diversity in Business)

	FY2024-25 Current Financial Year	FY2023-24 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

The Company upholds the principle of natural justice and ensures the complainant's confidentiality is maintained throughout and after the complaint resolution process. Senior members of the organization, trained in handling complaints, the rights of complainants, and the appropriate sensitivity and judgment, manage these complaints. They ensure full confidentiality to protect the complainant during and after the resolution. The complainant is safeguarded against any adverse actions, including harassment, unfair termination, demotion, suspension, and biased behavior.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, all essential human rights requirements are included in business agreements and the Code of Conduct with business partners. Additionally, the Code of Conduct for Business Partners applies to all suppliers and service providers, expecting them to respect human rights and avoid causing or contributing to human rights violations through their business activities.

10. Assessments for the year:

	% of Plants/ Offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100
Forced/ Involuntary Labour	100
Sexual Harassment	100
Discrimination at workplace	100
Wages	100

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

In our ongoing commitment to uphold the highest standards of ethics and compliance within our operations, we conducted a thorough assessment focusing on Child Labor, Forced or Involuntary Labor, Sexual Harassment, Discrimination at the Workplace, and Wages. We are pleased to report that this evaluation revealed no significant risks or concerns in these critical areas. Given the absence of identified risks, there have been no corrective actions required or initiated. Our compliance with established policies and legal frameworks in these domains remains steadfast, underscoring our commitment to responsible and ethical business practices. We continue to prioritize regular monitoring and conduct extensive training to ensure our workforce is not only aware but also proactive in maintaining these standards.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

During the reporting period, no business processes have been modified or introduced for addressing human rights grievances/ complaints as there was no complaint/grievance related to human rights during the year.

2. Details of the scope and coverage of any Human rights due diligence conducted.

The Company conducts comprehensive human rights due diligence to ensure the protection and promotion of human rights across its operations and supply chain. This due-diligence process includes:

- **Assessment of Risks:** Identifying and evaluating potential human rights risks associated with business activities, including those related to employees, contractors, suppliers, and communities.

- **Policy Implementation:** Ensuring that all business agreements and contracts include critical human rights requirements, and that the Code of Conduct for Business Partners is adhered to by all suppliers and service providers.
- **Monitoring and Reporting:** Regularly monitoring compliance with human rights standards and reporting any violations or concerns. This includes maintaining transparency and openness at all organizational levels.
- **Training and Awareness:** Providing training to senior members and other relevant personnel on handling human rights complaints, ensuring sensitivity, confidentiality, and appropriate judgment.
- **Grievance Mechanisms:** Establishing mechanisms such as the Whistle Blower Policy to allow employees to report any suspected or actual misconduct anonymously, including human rights grievances, without fear of retaliation.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, necessary arrangements are made to ensure accessibility for employees and workers with disabilities. We offer training and sensitization sessions to promote awareness and understanding of the challenges faced by differently abled individuals, fostering a more inclusive work environment.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format: (BRSR Core Attribute 3: Energy footprint)

Parameter	Units	FY 2024-25	FY 2023-24
From renewable sources			
Total electricity consumption (A)	GJ	1,58,692.67	94,580.78
Total fuel consumption (B)	GJ	0	0
Energy consumption through other sources (C)	GJ	0	0
Total energy consumed from renewable sources (A+B+C)	GJ	**1,58,692.67**	**9,45,80.78**
From non-renewable sources			
Total electricity consumption (D)	GJ	5,52,039.64	5,89,021.26
Total fuel consumption (E)	GJ	88,565.13	84,355.54
Energy consumption through other sources (F)	GJ	-	-
Total energy consumed from non- renewable sources (D+E+F)	GJ	**6,40,604.77**	**6,73,376.80**
Total energy consumed (A+B+C+D+E+F)	GJ	7,99,297.43[6]	7,67,957.59
Energy intensity per rupee of turnover	GJ/ Million INR	25.14[7]	25.99
Energy intensity per rupee of turnover adjusted for Purchasing Power	GJ/ Million USD	519.42	537.20
Energy intensity in terms of physical output*	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any

No site/facilities of the Company are classified as designated consumer under the Performance, Achieve, and Trade (PAT) scheme.

[6] Please note that last year reporting only consisted of Ghaziabad and Pathredi plants. However, the boundary of reporting has expanded in this reporting period to include assembly units of the Company. Hence, the performance data of current year are not strictly comparable with the last year.

Note: For consistency, 2023–24 data has been converted to the current year's units. Last year, the data was reported in MJ, MJ/lakh INR. Now 2023-24 figures are in GJ, GJ/million INR, and GJ/million USD (PPP).

[7] If we consider the boundary to be uniform from last year, the Energy Intensity would have been 25.08 GJ/Million INR.

*Since SPRL is revisiting its data management approach from FY 2024-25 onwards, the weight of finished goods for all our products will be assurance-ready by next year reporting cycle. The Company will disclose its energy, water and waste intensity as per physical output from next reporting cycle onwards.

3. Provide details of the following disclosures related to water, in the following format: (BRSR Core Attribute 2: Water footprint)

Parameter	Units	FY 2024-25	FY 2023-24
Water withdrawal by Source (in kilolitres)			
(i) Surface water	KL	214.1	-
(ii) Groundwater	KL	3,75,778.83	3,85,180
(iii) Third party water	KL	1,975.20	-
(iv) Seawater / desalinated water	KL	-	-
(v) Others	KL	22.00	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	KL	**3,77,990.13**	**3,85,180**
Total volume of water consumption (in kilolitres)	KL	3,61,117.03[8]	3,66,585
Water intensity per rupee of turnover	KL/Million INR	**11.36**[9]	**12.41**
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	KL/Million USD	234.67	256.44
Waste intensity in terms of physical output*	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

4. Provide the following details related to water discharged: (BRSR Core Attribute 2: Water footprint)

Parameter	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	154 KL	-
- With treatment - please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iv) Sent to third-parties	16,719 KL	18,595 KL
- No treatment	2,170 KL	-
- With treatment - please specify level of treatment	14,549 KL Primary Treatment	18,595 Tertiary Treatment + RO
(v) Others	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
Total water discharged (in kiloliters)	**16,873.10 KL**	**18,595 KL**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Our plant operations in India are strategically located in Ghaziabad, Uttar Pradesh and Pathredi, Rajasthan, with significant advancements in sustainable water management. Both the plants have successfully achieved Zero Liquid Discharge (ZLD) status, effectively eliminating liquid waste by treating and recycling water back into the process and horticulture.

These facilities have on-site Effluent Treatment Plants (ETP), Sewage Treatment Plants (STP), and Reverse Osmosis (RO) systems. The treated water is recycled for various on-site processes and secondary uses such as toilet flushing and maintaining the greenbelt areas within the premises.

[8] Please note that last year reporting only consisted of Ghaziabad and Pathredi plants. However, the boundary of reporting has expanded in this reporting period to include assembly units of the Company. Hence, the performance data of current year are not strictly comparable with the last year.

Note: For consistency, 2023–24 data for water intensity has been converted to the current year's units. Last year, waste intensity was reported in L/Lakh INR. Now 2023-24 figures are in KL/million INR.

[9] If we consider the boundary to be uniform from last year, the water Intensity would have been 11.27 KL/Million INR.

*Since SPRL is revisiting its data management approach from FY 2024-25 onwards, the weight of finished goods for all our products will be assurance-ready by next year reporting cycle.The Company will disclose its energy, water and waste intensity as per physical output from next reporting cycle onwards.

The management and disposal of treated effluents adhere strictly to the consent orders issued by the respective State Pollution Control Boards. Our compliance with these regulations underscores our commitment to environmental stewardship particularly in the areas of water treatment and reuse.

Looking ahead, we are committed to a comprehensive strategy focusing on responsible water sourcing and efficient utilization. We continuously strive to reduce freshwater consumption by increasing the use of treated water in our operational processes and for sanitation purposes. Furthermore, we are enhancing our water conservation measures through expanded rainwater harvesting and recharge initiatives both within and external to the plant areas. This approach not only supports our production needs but also bolsters our environmental and community engagement commitments.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-25	FY 2023-24[10]
NOx	MT	1.653	3.480
SOx	MT	0.056	0.068
Particulate matter (PM)	MT	0.205	0.438
Volatile organic compounds (VOC)	NIL	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format: (BRSR Core Attribute 1: Green-house gas (GHG) footprint)

Parameter	Unit	FY 2024-25[11]	FY 2023-24[12]
Total Scope 1 emissions	Metric tonnes of CO2 equivalent	5,744	5,174
Total Scope 2 emissions	Metric tonnes of CO2 equivalent	1,11,478	1,16,648
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO2 equivalent per Million INR	3.69[13]	4.12
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	Metric tonnes of CO2 equivalent per Million USD	76.18	85.22
Total Scope 1 and Scope 2 emission intensity in terms of physical output*	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

Yes. GHG numbers for few months have been assured by third party.

[10]For consistency, the units for 2023-24 data have been converted to the current year's unit. Last year air emissions were reported in mg/m3. Now 2023-24 figures are in MT.

[11]Please note that last year reporting only consisted of Ghaziabad and Pathredi plants. However, the boundary of reporting has expanded in this reporting period to include assembly units of the Company. Hence, the performance data of current year are not strictly comparable with the last year.

Note: For consistency, 2023–24 data for total scope 1 & 2 intensity has been converted to the current year's units. Last year, the total scope 1 & 2 intensity was reported in MTCO2e/Lac INR. Now 2023-24 figures are in MTCO2e/million INR and MTCO2e/million USD (PPP).

[12]The Scope 1 & 2 emissions data for FY 2023-24 has been restated in this BRSR due to a correction in the calculation methodology identified during the current reporting cycle. The revised figures replace those reported in previous year's BRSR.

[13]If the boundary remains the same as the previous year, the Emission Intensity would be 3.68 MT CO2e/Million INR.

*Kindly Note: Since SPRL is revisiting its data management approach from FY 2024-25 onwards, the weight of finished goods for all our products will be assurance-ready by next year reporting cycle. The Company will disclose its energy, water and waste intensity as per physical output from next reporting cycle onwards.

Note: Scope 1 & 2 2024-25 GHG Emissions data above includes Pathredi, Ghaziabad, head office, and assembly units. Excluding assembly units, figures align with previous years, reflecting only Pathredi, Ghaziabad, and HO:

Emissions	Unit	BRSR 2023-24	BRSR 2024-25
Scope 1	tCO2e	5,174	5,720
Scope 2	tCO2e	1,16,648	1,11,174
Total Scope 1 & 2	tCO2e	1,21,822	1,16,894

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8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, the Company is dedicated to reducing greenhouse gas (GHG) emissions from our operations. We have initiated several projects to enhance our use of renewable energy, which have collectively led to a significant reduction in CO2 emissions.

- 20% electricity consumed is from renewable sources i.e., solar energy.
- The Company is also using PNG to reduce emissions from fossil fuels.
- The Company has installed solar streetlights to replace LED lights.
- The Company has replaced conventional fans with BLDC fans.
- The Company is saving power by
  - Modifying machines and improving processes.
  - Upgrading electrical controls on holding furnaces and converting from two-phase to three-phase electric power for energy savings.
  - Retrofitting energy-efficient EC fans in comfort air cooling units and cooling towers.
  - Installing an intelligent evaporator for final water treatment.
  - Implementing a contactless temperature monitoring system.

9. Provide details related to waste management by the entity, in the following format: (BRSR Core Attribute 4: Embracing circularity – details related to waste management by the entity)

Parameter	FY 2024-25	FY 2023-24
Total Waste generated (in metric tonnes)		
Plastic waste (A)	177.22	156.38
E-waste (B)	7.61	7.67
Bio-medical waste (C)	-	0.11
Construction and demolition waste (D)	-	324
Battery waste (E)	22.41	4.14
Radioactive waste (F)	-	-
Other Hazardous Waste. Please specify, if any. (G)	4,666.25	4,255.81
Other Non Hazardous Waste (H) - Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	22,686.16	18,315.36
Total Waste Generated (in metric tonnes)	**27,559.67**[14]	**23,063.47**
Waste intensity per rupee of turnover (MT/Million INR)	0.87[15]	0.78
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (MT/Million USD)	17.91	16.13
Waste intensity in terms of physical output*	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	17,651.06	14,080.32
(ii) Re-used	35.19	-
(iii) Other recovery operations	799.43	-
Total	**18,485.68**	**14,080.32**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	408.93	318.81
(ii) Landfilling	47.94	279.17
(iii) Other disposal operations	3,896.10	8,143.21
Total	**4,352.97**	**8,741.18**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

[14]Please note that last year reporting only consisted of Ghaziabad and Pathredi plants. However, the boundary of reporting has expanded in this reporting period to include assembly units of the Company. Hence, the performance data of current year are not strictly comparable with the last year.

Note: For consistency, 2023–24 data for waste intensity has been converted to the current year's units. Last year, the data was reported in KG/Lakh INR. Now 2023-24 figures are in MT/million INR.

[15]If the boundary remains the same as the previous year, the waste intensity would also remain the same as reported for FY 2024-25.

*Kindly Note: Since SPRL is revisiting its data management approach from FY 2024-25 onwards, the weight of finished goods for all our products will be assurance-ready by next year reporting cycle. The Company will disclose its energy, water and waste intensity as per physical output from next reporting cycle onwards.

(Yes/No) If yes, name of the external agency

No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company prioritizes responsible waste management to minimize environmental impact. Our system sorts of waste at the source into categories like recyclables, organic matter, and non-recyclables, ensuring proper disposal through Pollution Control Board-approved vendors.

We also treat wastewater from our facilities using ETP and STP systems, and we are committed to reducing the use of toxic chemicals in these processes and our cleaning routines.

Our waste management practices comply with the consent orders and hazardous waste authorizations issued by the respective State Pollution Control Boards. We have integrated the 3R (Reduce, Reuse, Recycle) waste management principles into our decision-making processes. Our operations are dedicated to initiatives focused on waste elimination, minimization, and recycling, in line with legal requirements and available opportunities.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S.No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Details of fines / penalties / action	Corrective action taken, if any
Not Applicable					

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

i) Name of the Area: Pathredi, Rajasthan

ii) Nature of Operations: Manufacturing

iii) Water withdrawal, consumption and discharge in the following format:

Parameter	Units	FY 2024-25	FY 2023-24
Water withdrawal by Source (in kilolitres)			
(i) Surface water	KL	-	-
(ii) Groundwater	KL	1,13,502.83	1,14,746
(iii) Third party water	KL	237.75	-
(iv) Seawater / desalinated water	KL	-	-
(v) Others	KL	-	-
Total volume of water withdrawal (in kilolitres)	**KL**	**1,13,740.6**	**1,14,746**
Total volume of water consumption (in kilolitres)	**KL**	**1,13,740.6**	**1,14,746**
Water intensity per rupee of turnover (Water consumed / turnover)	KL / Million INR	3.58	3.88
Water discharge by destination and level of treatment (in kilolitres)			
(i) Into Surface water	KL	-	-
- No treatment	KL	-	-
- With treatment - please specify level of treatment	KL	-	-
(ii) Into Groundwater	KL	-	-
- No treatment	KL	-	-
- With treatment - please specify level of treatment	KL	-	-
(iii) Into Seawater	KL	-	-
- No treatment	KL	-	-
- With treatment - please specify level of treatment	KL	-	-
(iv) Sent to third-parties	KL	-	-
- No treatment	KL	-	-
- With treatment - please specify level of treatment	KL	-	-
(v) Others	KL	-	-
- No treatment	KL	-	-
- With treatment - please specify level of treatment	KL	-	-
Total water discharged (in kilolitres)	**KL**	**-**	**-**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities

Not applicable. The Company operates from sites which are located in industrial areas.

3. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
i)	Energy Conservation	• Wall Bracket fans replaced with BLDC fan motors. • Thyristor based heating in furnaces. • Heat load balancing in melting furnace.	The use of the latest technology and solutions has resulted in a significant reduction in energy consumption.
ii)	Use of renewable energy	We have taken significant strides by enhancing the use of renewable energy within the organization.	The strategic adoption of renewable energy sources has resulted in a significant reduction of the carbon emissions, exemplifying our dedication to environmental sustainability.
iii)	Recycling of wastewater	We have taken a significant step towards environmental conservation by installing in-house ETP/STP and RO water treatment plants to achieve zero liquid discharge status.	The recycling and re-using of processed water allows to reduce our water footprint and promote sustainable water management.

4. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link

Yes, the Company has a Business Continuity Plan and a Disaster Management Plan to address potential disruptions to business activities or processes. Business Continuity Planning ensures the adequacy of existing systems and processes to prevent and recover from potential risks, maintaining the delivery of products or services at predefined acceptable levels after a disruptive incident. Comprehensive Business Continuity Plans cover all aspects of operations and are tested periodically. Risks are mapped based on their likelihood and impact. Regular audits and mock drills are conducted to strengthen the system and verify the effectiveness of emergency response procedures. Additionally, regular training is provided to all relevant personnel on the use of equipment like fire extinguishers and First-Aid treatment.

5. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

No, there is no significant adverse impact to the environment, arising from the value chain of the entity.

6. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

The Company assessed maturity level and impact of 51.71% of raw material and packaging material suppliers.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. **a. Number of affiliations with trade and industry chambers/ associations :** 11

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations
1	Confederation of Indian Industry (CII)	National
2	Indo-German Chamber of Commerce	International
3	Automotive Component Manufacturers Association of India	National
4	Engineering Export Promotion Council	National
5	PHD Chamber of Commerce and Industry	National
6	Indian Trade Promotion Organisation	National
7	Association Chamber of Commerce & Industry of Uttar Pradesh	National
8	Aluminium Association of India	National
9	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
10	The Associated Chambers of Commerce & Industry in India (ASSOCHAM)	National
11	Institute of Directors	International

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
No corrective actions applicable as no issues related to anti-competitive conduct observed		

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes /No)	Results communicated in public domain (Yes /No)	Relevant Web link
Not Applicable, as no Social Impact Assessments (SIA) were required to be undertaken under applicable laws.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format

S.No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
	Not applicable as no projects have ongoing or required R&R efforts.					

3. Describe the mechanisms to receive and redress grievances of the community.

The Company collaborates closely with the community in designated areas to implement Corporate Social Responsibility (CSR) initiatives. Our CSR department has established a feedback mechanism across all its projects, allowing any aggrieved individual or group to express their concerns either annually or as needed. This system ensures ample opportunities for the community to voice and address their concerns. Impact studies are carried out by third party to assesses the impacts through engagement of our community programs.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:
(BRSR Core Attribute 7 : Enabling Inclusive Development)

	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/ small producers	9.08	6.77
Directly from within India	88.69	79.10

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost
(BRSR core attribute 7: Enabling Inclusive Development)

Location	FY 2024-25	FY 2023-24
Rural	**23**	**24**
Semi-urban	-	-
Urban	-	-
Metropolitan	**77**	**76**

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable, as no negative social impacts have been identified	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

State	Aspirational District	Amount spent (in INR)
Not Applicable, as there are no CSR projects undertaken in designated aspirational districts		

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No

b. From which marginalized /vulnerable groups do you procure?

Not applicable

c. What percentage of total procurement (by value) does it constitute?

Not applicable

4. Details of beneficiaries of CSR Projects

S. No.	CSR Project	Total no. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Ghaziabad			
1	Old Age Home	1,265	100
2	Mobile Medical Unit	51,709	100
3	Karate Classes	402	100
4	Gurunanak Girls Inter College	600	100
5	Medical Dispensary - 1	13,200	100
Pathredi			
6	Medical Dispensary - 2	37,174	100
7	Silai School	400	100
8	PM Shri Government Girls School	922	100
Total Beneficiaries		**1,05,672**	**100**

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback

The Company prioritizes customer complaints, emphasizing agility, transparency, and a solution-oriented approach to resolve them efficiently and satisfactorily. We offer multiple channels for customers to raise queries, complaints, and provide feedback. The Sales and QA teams maintain regular contact with customers to ensure timely resolution of their concerns. Additionally, customers can voice their concerns through a specific email address or phone number listed on the product packaging.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a % to total turnover
Environmental and social parameters relevant to the product	Our products carry the safe handling and safety warnings as relevant as per applicable rules, laws and labeling requirements.
Safe and responsible usage	100
Recycling and/or safe disposal	100

3. Number of consumer complaints in respect of the following:

	FY 2024-25			FY 2023-24		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	NA	NA	-	NA	NA	-
Restrictive Trade practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Other	Nil	Nil	-	Nil	Nil	-

4. Details of instances of product recalls on account of safety issues

	Number	Reasons for Recall
Voluntary Recalls	Nil	Not Applicable
Forced Recalls	Nil	Not Applicable

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company has a policy on Information Security Policy and risk related to data privacy.

The weblink for the policy is : https://shrirampistons.com/wp-content/uploads/2024/08/IT-CYBER-SECURITY-SECURITY-POLICY.pdf

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not applicable as organization does not provide any essential services

7. Provide the following information relating to data breaches: (BRSR Core Attribute 8: Fairness in Engaging with Customers and Suppliers)

a. Number of instances of data breaches

NIL

b. Percentage of data breaches involving personally identifiable information of customers

Not applicable

c. Impact, if any, of the data breaches

No impacts as no data breaches recorded.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information is disseminated through our website, Annual Report, social media platforms, and media advertisements/ publications. Details about all the products and services offered by us can be found at https://shrirampistons.com/

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company provides extensive training to Channel Partners on the safe installation of products. This training manual is included in the product catalogue, and a fitment guide is also part of the product packaging. During the training sessions, Channel Partners are educated on the safe usage of the products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Not applicable as the Company does not provide essential services to its customers.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/ No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey regarding consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, the company ensures that all required information is properly displayed on product labels in accordance with applicable rules and regulations. Additionally, safe fitment information is included in the catalogue and on a slip inside the packaging box.

We maintain constant communication with customers through an extensive sales channel and stay updated on all customer feedback. We have also conducted formal surveys as part of our quest to win the TPM Excellence Award from JIPM, Japan.

SHRIRAM®

SPRL's Commitment Towards ESG

Sustainability

Green Innovation

Community Focus

Inclusive Culture

Employee Wellness

Strong Governance

Future Goals

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Sustainability:
Paving the Way to a Resilient Future

In an era defined by mounting environmental, social, and economic challenges, sustainability has emerged as an indispensable guiding principle. At its heart, sustainability is about fulfilling present needs without compromising the ability of future generations to meet their own. It calls for striking a careful balance between environmental stewardship, social justice & economic prosperity.

Environmental Sustainability

Environmental Sustainability is concerned with minimizing humanity's ecological footprint. It encompasses efforts to reduce carbon emissions, conserve finite natural resources, and safeguard fragile ecosystems. With critical global issues such as climate change, deforestation, and pollution reaching alarming levels, immediate and concerted action has become imperative. Transitioning to renewable energy sources, reducing waste, and preserving water resources are pivotal strategies in mitigating environmental degradation.

Social Sustainability

Social Sustainability focuses on advancing human well-being and fostering fairness across communities. It addresses pressing concerns such as labour rights, community empowerment, and equitable access to healthcare and education. A socially sustainable approach ensures that all individuals — regardless of background — have the opportunity to flourish in just and inclusive societies.

Economic Sustainability

Economic Sustainability emphasizes growth models that are not only profitable but also responsible and regenerative. Sustainable enterprises optimize resource usage, minimize waste, and pursue long-term profitability that does not come at the expense of people or the planet. Such businesses build resilience, enhance competitiveness, and contribute to a stable, inclusive global economy.

By thoughtfully integrating environmental, social, and economic considerations into every decision, we can forge a future where humanity and nature thrive together. Sustainability is no longer a choice — it is an imperative for a resilient and equitable world.

Driving Sustainable Growth:
Our ESG Journey at Shriram Pistons & Rings Limited

At Shriram Pistons & Rings Limited (SPRL), sustainability inspires everything we do — it's not a goal we strive for, but a principle we live by. Guided by Environmental, Social, and Governance (ESG) principles, we have embedded responsibility, transparency, and stewardship into every facet of our organization. In 2024–25, we made remarkable strides in strengthening our ESG commitments, involving our stake holders, reaffirming our vision for a sustainable and responsible future.

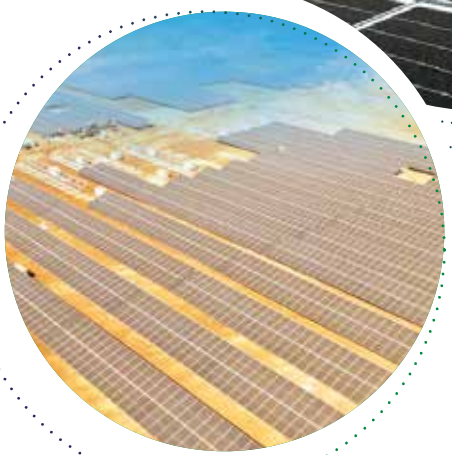
We believe that through collaboration, accountability, and innovation, we can drive transformational change that benefits our business, society, and the environment alike.

In 2024-25, SPRL accelerated its environmental initiatives, focusing keenly on combating climate change, optimizing resource consumption, and pioneering sustainable innovations.

Reducing Emissions and Advancing Renewable Energy

A major highlight of our progress was a 35% reduction in our greenhouse gas (GHG) emissions intensity (Scope 1 and Scope 2) from our base year 2021-22.

By implementing energy-efficient technologies and sourcing 20% of our total energy from renewable sources, we surpassed our interim 2024-25 target for usage of renewable energy. Our solar initiative exemplified by 31 MWp solar installation for our Ghaziabad (UP) facility & 2MWp rooftop solar installation for our Pathredi - Bhiwadi (Rajasthan) facility underscores our unwavering commitment to achieve RE -50 by 2030 & net-zero emissions by 2045.



Championing Sustainable Resource Management

In 2024-25, our water conservation efforts yielded a 8.5% reduction in water usage intensity.

Key innovations, such as hydrocarbon-based washing machines that eliminated water usage for part cleaning, and Projects related to rainwater harvesting, epitomize our holistic approach to resource management. Our manufacturing plants at Ghaziabad & Pathredi has Zero Liquid Discharge (ZLD) and are equipped with the state of art ETP / STP plants with RO system to recycle / reuse the water in processes after proper treatment.

We also enhanced our recycling / reusing initiatives, processing 18,485 metric tons of material in FY 24-25. Total waste recovery through recycling / reusing initiatives has improved by 31% from our base year 2021-22.

For Shriram Pistons & Rings Ltd. (SPRL), one of India's leading automotive component manufacturers, the use of ready alloy has resulted in consistent product quality, faster production cycles, and significant energy savings. The uniformity of chemical composition helped to reduce the defects like porosity and segregation, cutting down rework and scrap costs. Additionally, it supports SPRL's sustainability initiatives by minimizing emissions and improving traceability for compliance with standards like Euro 6, BS VI, GRI, and BRSR reporting. These benefits strengthen SPRL's brand image among major customers. Thus, despite the higher upfront cost, ready alloy proves to be economically and environmentally advantageous in the long run.

Further, we fortified our sustainable supply chain practices & 63% of our suppliers are ISO 14000 /ISO 45001 Certified. We also conduct supplier audits for sustainable business practices & it is one of the parameters considered for vendor rating. Value wise our 75% purchases are made through sustainable sources.

We have also initiated project to eliminated use of plastic and wooden pallets in favour of reusable packaging materials. All the wooden pallets used on shop floor are eliminated using eco-friendly "CO-CO" pallets.

Returnable bins floor

Use of Plastic Pallets

Use of Coco Pallets in place of Wooden Pallets

Innovating for a Greener Future

Our R&D teams intensified efforts to develop environmentally responsible products, including components for alternative fuels (CNG, LNG, H-CNG, Ethanol, Flex fuel and hydrogen) and electric powertrains. Also many innovative projects are initiated by our R&D team to improve our existing products (such as weight reduction, innovative coating solutions… etc.) to reduce the carbon foot print & improve the engine efficiency. These advancements not only minimize environmental impact across product life cycles but also position SPRL as a pioneer in sustainable automotive technologies.

Our initiative on greener future have been recognised by **"Gold award for Environment Excellence" by ACMA in 2024-25**

Social Responsibility Centring People and Communities

As a socially responsible organization, SPRL is deeply committed to Corporate Social Responsibility (CSR). Our CSR policy underscores the dedication to enhance the quality of life for people, especially those in communities close to its operations, while creating long-term value for all stakeholders. The company undertakes CSR projects and programs in education, healthcare, sanitation, and the environment, prioritising initiatives aimed at disadvantaged individuals and those with disabilities.

At SPRL, we recognize that the well-being of our people and communities is the cornerstone of enduring success. Our CSR initiatives have significantly improved healthcare access, educational opportunities, and living conditions for various communities.

Under the health initiative, the organisation runs two dispensaries namely Lala Charat Ram Charitable (LCRC) at Bhiwadi, Rajasthan and Krishnanagar Dispensary, in Ghaziabad, Uttar Pradesh (UP) as well as a Mobile Medical Vehicle (MMV) in satellite villages of Ghaziabad. The Mobile Medical Unit (MMU) initiative, provides doorstep treatment to marginalised groups especially the elderly, women and children, it caters to a minimum of 100 beneficiaries per day with annual household incomes below INR one lakh.

Initiative of adopting Girl Schools in nearby areas, benefits girl students from economically marginalised families, with family income of less than three lakhs annually. As part of the education initiative, we have provided science & computer infrastructure, to improve computer/digital literacy, in the adopted schools. This initiative has contributed towards increasing technological exposure, reduced student dropouts, increased interest in education and participation

Another initiative Silai School, primarily for women, is aimed at encouraging them to become financially independent by training them in cutting stitching and tailoring. Post-training, 45% of women take stitching orders from home, 27% own boutiques.

Shriram Pistons & Rings Ltd. also supports the senior

citizens residing at **S**aint **H**ardyal **E**ducational and **O**rphans' **W**elfare **S**ociety (SHEOWS) Old Age Home at Garhmukteshwar (UP). We take care of the medicine cost of patients and have constructed a hospital floor with 40-bedded ICU, an operation theatre for conducting minor surgeries. We have also supported there for solar power grid system and kitchen equipment's.

SPRL is also actively involved in projects related to sanitation, supply of drinking water, tree plantation, other environment related projects as well as supporting preservation of Indian art, culture and heritage.

Our CSR initiatives are recognised by **Bhamashah Samman** - Nine Times Recipient of "Bhamashah Award – Shiksha Bhushan" for supporting the cause of Education in Rajasthan & **CSR Excellence Award** by Rajasthan Government for Industry, Innovation and Infrastructure.

To assess our CSR initiatives & identify further opportunities for improvements we conducted the CSR impact assessment in 2024-25 by CII-ITC Centre of Excellence for Sustainable Development, further highlighting the company's commitment to sustainable development.

Fostering Diversity, Equity, and Inclusion (DEI)

We recognize that Diversity, Equity, and Inclusion (DEI) as a vital opportunity to enhance our organizational capabilities. In today's competitive business environment, fostering a diverse and inclusive workforce enables the company to approach problems and opportunities from varied perspectives, enhancing creativity and decision-making.

In 2024-25, we launched strategic initiatives aimed at cultivating a more diverse and inclusive workplace. As a result, workforce diversity surged by 60% compared to the previous year. Over 85% of employees received DEI training, helping us foster a culture that celebrates diverse perspectives and ensures equitable opportunities for all. Our future focus remains on enhancing leadership diversity, particularly in promoting gender representation and supporting underrepresented groups.

Promoting Employee Well-Being

The company views employee health, safety, and well-being as pivotal components of our strategic framework that drive substantial business value and operational excellence. By positioning these elements at the core of our operating principles, we align ourselves with international best practices, enhancing our reputation and establishing our company as a leader in promoting employee wellbeing. This proactive approach elevates our industry standing fostering a resilient and agile corporate culture capable of attracting and retaining exceptional talent.

Employee safety is always a priority for SPRL. Consecutively second year we were able to sustain the zero LTA status. Our major focus is on identifying & acting on unsafe conditions, unsafe behaviours & behavioural safety trainings to the associates. Our efforts on safety have been recognised by "Gold award for Safety Excellence" in safety by ACMA in 2024-25

We expanded mental health programs, introduced flexible work options, and invested heavily in professional development. These efforts translated into a 5% improvement in employee engagement, reflected in higher levels of job satisfaction and organizational commitment.

At SPRL, we firmly believe that investing in the well-being of our workforce cultivates a dynamic, motivated, and resilient organization.

Governance: Strengthening Accountability & Transparency

At SPRL, strong governance is the cornerstone of our ESG strategy. We always look for opportunities for enhancing our governance framework to ensure that ethical practices, transparency, and accountability are embedded in every aspect of our business. Our approach to governance is driven by our commitment to maintaining high standards of integrity, aligning with stakeholder expectations, and adhering to evolving regulatory standards.

Strengthening ESG Oversight: We have fortified our governance framework by establishing an ESG Steering Committee, ensuring rigorous oversight and integration of ESG goals into our broader business strategy. Strengthened ESG expertise has enhanced our ability to meet evolving stakeholder expectations and regulatory standards.

In 2024-25 We revisited & updated all our ESG related policies including our Code of Conduct to align with the highest standards of ethical business behaviour, focusing on anti-corruption, human rights diligence, and responsible sourcing. Comprehensive ethics training ensured that all employees and partners are aligned with our values and commitments.

Recognizing the growing complexity of climate related risks, we expanded our risk management frameworks to address climate-related and social risks. By adopting the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and conducting detailed climate scenario analyses, we are proactively safeguarding the long-term interests of our business and stakeholders.

In recognition of our outstanding governance practices we received the globally recognised prestigious “Golden Peacock Award for Excellence in Corporate Governance” The award is presented by the Institute of Directors (IOD) – London.

Looking Ahead: Our Ambitions for FY2025-26 and Beyond

We are actively aligning our Environmental, Social, and Governance (ESG) initiatives with the evolving requirements of our customers. As part of this commitment, we have undergone ESG assessments conducted by most of our esteemed OEM customers. The outcomes of these evaluations have been consistently positive, reflecting our dedication to responsible business practices. We are proud to have received strong ratings in these assessments, reinforcing the effectiveness of our ESG efforts. Notably, a majority of our customers have recognized us as a "Green Supplier," a testament to our environmentally conscious and socially responsible approach. This recognition further motivates us to continuously enhance our ESG performance across all aspects of our value chain. We remain committed to driving sustainable growth while meeting the expectations of our stakeholders.

Environmental Goals

- Reduce carbon emissions intensity by 10% YOY & by 50% over base year till 2030
- Increase the share of renewable energy to 50% by 2030
- Water Management: Reduce water intensity by 5% YOY & 30% reduction in water intensity over base (21-22) by 2030
- Be Carbon Neutral by 2045
- Reduction in waste intensity by 5% YOY
- Zero waste to landfill by 2030

Social Goals

Safety :

- Sustain Zero Lost Time accidents status
- Reduce first aid cases by 50%
- Achieve zero safety incidence status by 2030

Supply chain :

- Engage with major Tier 1 suppliers & conduct ESG audits
- Min 60% Transportation & logistic with Green Fuel
- Increase recycling to 60%; double the women workforce by 2030

Governance Goals

- Publish our first standalone ESG report for FY 24-25 to enhance transparency and accountability
- Deepen stakeholder engagement to ensure our ESG strategies remain responsive and impactful
- Third party reasonable assurance of BRSR / sustainability report by 25-26
- Conduct double materiality assessment

At SPRL, we believe that sustainable growth is not just a goal it is our shared responsibility. We remain steadfast in our commitment to building a better future, where business success goes hand in hand with environmental stewardship, social progress, and ethical governance.

End-to-End Product Development Facility

CONCEPT DESIGN
- Concept Design
- Design Algorithm
- CAD Platforms

SIMULATION
- Piston FEA
- Engine Valve FEA
- Ring Dynamic
- Piston Dynamic
- Casting
- CFD Simulation

PROTO LINE
- Piston Sample Manufacturing Facility
- Rapid Prototyping

RIG TESTING
- Hydro- Pulsator
- Wear & Tear
- Coating Scuffing

ENGINE TESTING
- Performance
- Endurance
- Cold & Hot Scuff
- Micro-welding
- Temperature

LAB ANALYSIS
- Fine Measurements
- 3D Scanning
- SCM Analysis
- Metallurgic Analysis

Recognition by DSIR- Govt. of India

Independent Auditor's Report

To the Members of Shriram Pistons & Rings Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Shriram Pistons & Rings Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2025, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's report of even date to the members of Shriram Pistons & Rings Limited on the standalone financial statements for the year ended 31st March 2025

Key Audit Matter

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue Recognition from sale of products (Refer note 2.A.10 to the accompanying standalone financial statements for material accounting policy information on revenue recognition and note 24 for the details of revenue recognised during the year.) Revenue from contracts with customers for the year ended 31 March 2025 is Rs. 31,320.77 millions. The Company recognizes revenue from sale of products upon satisfaction of its performance obligation, i.e., transfer of control to the customer in accordance with the principles of Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115').	**Our audit procedures relating to revenue recognition included, but were not limited to, the following:** a) Understood the nature of revenue transactions, revenue recognition process and evaluated the appropriateness of the accounting policy adopted by the management in accordance with Ind AS 115; b) Evaluated the design and implementation, and tested operating effectiveness of key controls around revenue recognition;

Key audit matter	How our audit addressed the key audit matter
Revenue, being one of the key performance indicators of the Company and its external stakeholders, is subject to high inherent risk of material misstatement, and is therefore determined to be an area involving significant risk in line with the requirements of the Standards on Auditing which required significant auditor attention. Further, due to varying shipment terms with its customers across its operating markets, considerable efforts are required by the management on determining the timing of revenue recognition according to Ind AS 115. Considering the above along with the significance of amount, volume of transactions and varied terms of contracts with customers, we have identified revenue recognition as a key audit matter for the current year audit.	c) Performed substantive testing on selected samples of revenue transactions recorded during the year, and transactions recorded during specific period before and after year end, by inspecting supporting documents such as customer contracts/ purchase orders, invoices, shipment terms, proofs of dispatch and delivery etc., to ensure revenue is recorded for such transactions in the correct period by correct amount; d) Performed substantive analytical procedures on revenue recognised during the year such as customer wise variance analysis, product wise analysis, to identify any unusual and/ or material variances; e) Tested unusual non-standard journal entries impacting revenue, selected based on risk-based criteria; f) Tested the manual adjustments made to revenue recorded during the year with respect to variable consideration as determined under Ind AS 115, and g) Evaluated the appropriateness and adequacy of disclosures made in the accompanying standalone financial statements in respect of revenue recognition in accordance with the applicable financial reporting framework.

Information other than the Standalone Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

17. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

b) Except for the matters stated in paragraph 17(g)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The standalone financial statements dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act;

f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 17(b) above on reporting under section 143(3)(b) of the Act and paragraph 17(g)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended); With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in Annexure B, wherein we have expressed an unmodified opinion; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. the Company, as detailed in note 41 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2025.

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025;

a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 43 (i) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 43 (iii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

iv. The interim dividend declared and paid by the Company during the year ended 31 March 2025 and until the date of this audit report is in compliance with section 123 of the Act.

The final dividend paid by the Company during the year ended 31 March 2025 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 15 (g) to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

v. As stated in note 67 to the standalone financial statements and based on our examination which included test checks, the Company, in respect of financial year commencing on or after 1 April 2024, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. However, the audit trail feature in the accounting software used for maintenance of accounting records was not enabled up to 23 January 2025 at the database level to log any direct changes. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention from the date the audit trail was enabled for the accounting software.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.001076N/N500013

Arun Tandon
(Partner)
Membership No. 517273
UDIN: 25517273BMIDAB2030

Place: New Delhi
Date: 07 May 2025

Annexure A referred to in paragraph 16 of the Independent Auditor's Report of even date to the members of Shriram Pistons & Rings Limited on the standalone financial statements for the year ended 31 March 2025

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of all the immovable properties (including investment properties) held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in note 3 and 6 to the standalone financial statements, are held in the name of the Company. For title deeds of immovable properties in the nature of land as tabulated below have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.

(Amount in Rs. million)

S.No.	Land situated at	Gross carrying value as at 31 March 2025
1	Meerut Road Industrial Area -Ghaziabad, Uttar Pradesh	96.17
2	Industrial Area - Pathredi, Rajasthan	194.99
3	Industrial Area Site, Bulandshahr Road, Ghaziabad	137.89

(d) The Company has adopted cost model for its Property, Plant and Equipment including right-of-use assets and intangible assets. Accordingly, reporting under clause 3(i)(d) of Companies (Auditor's Report) Order 2020 (hereinafter referred to as 'the Order') is not applicable to the Company.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have been confirmed by the third parties and in respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.

(b) As disclosed in note 51 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 5 crores by banks based on the security of current assets. The quarterly statements for the quarters ended 31 March 2024, 30 June 2024, 30 September 2024 and 31 December 2024, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were subject to audit/review. Further, the Company is yet to submit the quarterly statements for the quarter ended 31 March 2025 with the relevant bank as on date.

(iii) The Company has not provided any guarantee or security or granted any advances in the nature of loans to companies, firms, limited liability partnerships during the year. The Company has also not made investments in or granted any loans or advances in the nature of loans to firms and limited liability partnerships. Further, the Company has made investments in and granted unsecured loans to companies or any other parties during the year, in respect of which:

(a) The Company has provided loans and advances in the nature of loans, to Subsidiaries /Others during the year as per details given below:

(Amount in Rs. million)

Particulars	**Loans**
Aggregate amount provided/granted during the year:	
- Subsidiaries	22.50
- Others	150.00
Balance outstanding as at balance sheet date:	
-Subsidiaries	-
- Others	150.00

(b) In our opinion, and according to the information and explanations given to us, the investments made, and terms and conditions of the grant of all loans and advances in the nature of loans are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantee and given any security during the year.

(c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal has been stipulated and the repayments/receipts of principal are regular. Further, no interest is receivable on such loans and advances in the nature of loans.

(d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.

(e) The Company has granted loans or advances in the nature of loans which had fallen due during the year and were repaid on or before the due date. Further, no fresh loans were granted to any party to settle the overdue loans/ advances in nature of loan.

(f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans and investments made and guarantees provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 186 of the Act in respect of security provided by it.

(v) In our opinion, and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India ('the RBI'), the provisions of sections 73 to 76 or other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) as applicable, with regard to the deposits accepted or amounts which have been considered as deemed deposits. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any Court or any other Tribunal, in this regard.

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, we report that there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

(Amount in Rs. million)

Name of the statute	Nature of dues	Gross Amount	Amount paid under Protest	Period to which the amount relates	Forum where dispute is pending
Income tax- Act, 1961	Income tax	173.38	63.11	2003-04, 2004-05, 2019-20, 2020-21, 2022-23	Appellate authority up to Commissioners' level
Finance Act, 1994	Service tax	20.80	0.51	2012-13, 2013-14, 2014-15, 2015-16	Custom, Excise & Service Tax Appellate Tribunal (CESTAT)
Central Sales Tax Act, 1956	Sales Tax	1.83	0.41	2015-16	Appellate Tribunal
Sales Tax Laws	Sales Tax / Value Added Tax/ Entry Tax	57.57	20.25	2010-11, 2011-12, 2012-13, 2015-16, 2016-17	Appellate Tribunal
Goods and Services Tax Act, 2017	Goods and Services Tax	122.03	0.74	2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23	Appellate authority up to Commissioners' level

(viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.

(e) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) In our opinion and according to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In our opinion and according to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility pertaining to other than ongoing projects as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has transferred the remaining unspent amounts towards Corporate Social Responsibility (CSR) under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.001076N/N500013

Arun Tandon
(Partner)
Membership No. 517273
UDIN: 25517273BMIDAB2030

Place: New Delhi
Date: 07 May 2025

Annexure B

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Shriram Pistons & Rings Limited ('the Company') as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.001076N/N500013

Arun Tandon
(Partner)
Membership No. 517273
UDIN: 25517273BMIDAB2030

Place: New Delhi
Date: 07 May 2025

Standalone Balance Sheet as at 31 March 2025

	Note no.	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	5,249.25	5,235.07
b) Capital work-in-progress	4	61.17	93.48
c) Goodwill	5	14.85	14.85
d) Other intangible assets	5	162.46	193.08
e) Right of use assets	6	604.01	631.45
f) Financial assets			
(i) Investments	7	6,130.96	3,578.96
(ii) Loans	8	120.00	-
(iii) Other financial assets	9	1,184.08	1,564.07
g) Other non-current assets	11	143.44	344.00
		13,670.22	**11,654.96**
Current assets			
a) Inventories	12	4,200.37	3,536.21
b) Financial assets			
(i) Investments	7	-	373.07
(ii) Trade receivables	13	5,127.15	4,418.82
(iii) Cash and cash equivalents	14	277.91	306.57
(iv) Other bank balances other than (iii) above	14	9,410.62	7,500.50
(v) Loans	8	30.00	-
(vi) Other financial assets	9	458.89	371.41
c) Other current assets	11	696.86	555.13
		20,201.80	**17,061.71**
TOTAL ASSETS		**33,872.02**	**28,716.67**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	15	440.50	440.50
b) Other equity	16	23,650.36	19,058.07
		24,090.86	**19,498.57**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	17	767.41	1,052.23
(ii) Lease liabilities	38	194.06	214.52
(iii) Other financial liabilities	23	36.92	46.93
b) Provisions	18	324.80	300.22
c) Deferred tax liabilities (net)	20	252.59	240.12
		1,575.78	**1,854.02**
Current liabilities			
a) Financial liabilities			
(i) Borrowings	21	2,790.88	2,355.93
(ii) Lease liabilities	38	55.20	54.36
(iii) Trade payables	22		
- Total outstanding dues of micro enterprises and small enterprises		150.42	95.44
- Total outstanding dues of creditors other than micro enterprises and small enterprises		3,526.65	3,180.20
(iv) Other financial liabilities	23	1,008.26	1,000.52
b) Other current liabilities	19	409.64	443.30
c) Provisions	18	160.09	150.38
d) Current tax liabilities (net)	10	104.24	83.95
		8,205.38	**7,364.08**
TOTAL EQUITY AND LIABILITIES		**33,872.02**	**28,716.67**

See accompanying notes to the standalone financial statements 1-68

In terms of our report attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013
Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Tina Trikha
Director
DIN: 02778940

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Place : New Delhi
Date : 07 May 2025

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Standalone Statement of Profit and Loss for the year ended 31 March 2025

		Note no.	For the Year ended 31 March 2025 Rs. million	For the Year ended 31 March 2024 Rs. million
I	Revenue from operations	24	31,795.10	29,537.16
II	Other income	25	1,031.98	813.36
III	**Total income (I+II)**		**32,827.08**	**30,350.52**
IV	**Expenses**			
	Cost of materials consumed	26	12,083.72	10,738.17
	Purchase of stock-in-trade		858.63	876.14
	(Increase) / decrease in inventories of finished goods, work-in-progress and stock-in-trade	27	(365.16)	(39.54)
	Employee benefits expense	28	4,776.36	4,449.53
	Finance costs	29	248.15	251.58
	Depreciation and amortisation expense	30	865.35	873.75
	Other expenses	31	7,680.11	7,212.29
	Total expenses		**26,147.16**	**24,361.92**
V	**Profit before tax (III-IV)**		**6,679.92**	**5,988.60**
VI	**Tax expense:**			
	i) Current tax - Current year	10	1,707.76	1,523.83
	ii) Deferred tax - Current year	20	(5.93)	(2.87)
			1,701.83	**1,520.96**
VII	**Profit for the year (V-VI)**		**4,978.09**	**4,467.64**
VIII	Other comprehensive income			
	A (i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the post employment defined benefit plans		62.91	89.69
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(15.83)	(22.57)
	B (i) Items that will be reclassified to profit or loss			
	a) Fair value change of cash flow hedge		10.20	(1.78)
	(ii) Income tax relating to items that will be reclassified to profit or loss		(2.57)	0.45
	Total other comprehensive income		**54.71**	**65.79**
	Total comprehensive income (VII+VIII)		**5,032.80**	**4,533.43**
	Earnings per share (of Rs. 10/- each)	33		
	Basic (Rs)		113.01	101.42
	Diluted (Rs)		113.01	101.42
See accompanying notes to the standalone financial statements		1-68		

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Tina Trikha
Director
DIN: 02778940

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 07 May 2025

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Standalone Statement of Cash flows for the year ended 31 March 2025

			Year ended 31 March 2025 Rs. million	Year ended 31 March 2024 Rs. million
A.	**Cash flow from operating activities**			
	Profit before tax		**6,679.92**	**5,988.60**
	Adjustments for :			
	Depreciation/amortisation (refer note 30)		865.35	873.75
	Finance costs (refer note 29)		248.15	251.58
	Bad debts/advances written off (refer note 31)		0.40	1.89
	Provision for doubtful debts (net) (refer note 25 and 31)		(6.72)	1.87
	Interest income (refer note 25)		(776.95)	(631.62)
	Net gain on sale/ fair valuation of current investment (refer note 25)		(30.88)	(32.42)
	Unrealised exchange rate variation (net)		(20.44)	(42.37)
	(Profit) / loss on sale / write off / retirement of property, plant and equipment (refer note 25 and 31)		(7.96)	3.22
	Operating profit before working capital changes		**6,950.87**	**6,414.50**
	Adjustments for:			
	(Increase)/ decrease in inventories		(664.16)	(220.39)
	(Increase)/ decrease in trade receivables		(687.38)	(449.05)
	(Increase)/ decrease in other financial assets and loans (current and non current)		(174.01)	8.26
	(Increase)/ decrease in other assets (current and non current)		(38.97)	(256.82)
	Increase/ (decrease) in trade payables		407.09	388.31
	Increase/ (decrease) in other financial liabilities (current and non current)		(19.58)	220.51
	Increase/ (decrease) in other liabilities and provisions (current and non current)		107.40	113.68
	Cash generated from operations		**5,881.26**	**6,219.00**
	Income tax paid		(1,687.46)	(1,476.84)
	Net cash generated from operating activities	**(A)**	**4,193.80**	**4,742.16**
B.	**Cash flow from investing activities**			
	Interest received		703.40	452.10
	Sale of property, plant and equipment		60.23	21.76
	Investment in equity shares		(2,552.00)	(2,300.00)
	Purchase of property, plant and equipment		(728.60)	(806.63)
	Purchase of intangible assets		(14.88)	(21.93)
	Purchase of current investment		(6,224.89)	(14,637.30)
	Proceeds from sale of current investment		6,628.84	14,971.62
	Proceeds from redemption of investment in margin money with banks		-	50.44
	Investment in deposits		(1,690.06)	(2,927.58)
	Proceeds from redemption of deposits		170.00	601.52
	Net cash used in investing activities	**(B)**	**(3,647.96)**	**(4,596.00)**

Standalone Statement of Cash flows for the year ended 31 March 2025

			Year ended 31 March 2025 Rs. million	Year ended 31 March 2024 Rs. million
C.	**Cash flow from financing activities**			
	Repayment of principal portion of lease liabilities		(57.98)	(62.83)
	Repayment of interest portion of lease liabilities		(25.15)	(24.80)
	Interest paid on borrowing		(195.98)	(206.85)
	Dividend paid		(440.50)	(330.37)
	Proceeds from non-current borrowings		-	143.40
	Repayment of non-current borrowings		(274.51)	(189.38)
	Movement in short-term borrowings (net)		596.33	777.94
	Proceeds from deposits		-	0.00
	Repayment of deposits		(176.71)	(232.08)
	Net cash used in financing activities	**(C)**	**(574.50)**	**(124.97)**
	Net (decrease) / increase in cash and cash equivalents	**(A+B+C)**	**(28.66)**	**21.19**
	Cash and cash equivalents at the beginning of the year		**306.57**	**285.38**
	Cash and cash equivalents at the end of the year		**277.91**	**306.57**
	Components of cash and cash equivalents (refer note 14)			
	Cash in hand		0.32	0.37
	Balances with banks			
	- current accounts		277.59	56.20
	- Deposits with original maturity less than 3 months		-	250.00
			277.91	**306.57**

Notes to statement of cash flows:

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7.

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Tina Trikha
Director
DIN: 02778940

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 07 May 2025

Standalone Statement of Change in Equity as at 31 March 2025

a) Fully paid up equity shares

(face value of Rs 10/- each)

	Nos of shares	Amount Rs. million
Balance as at 31 March 2023	2,20,24,912	220.25
Add: Issued during the year (refer note 53)	2,20,24,912	220.25
Balance as at 31 March 2024	**4,40,49,824**	**440.50**
Add: - Issued during the year	-	-
Balance as at 31 March 2025	**4,40,49,824**	**440.50**

(b) Other Equity

Rs. million

Particulars	Reserves and surplus						Items of other comprehensive income	Total
	Preference share redemption reserve*	Capital redemption reserve*	Revaluation reserve*	Retained earnings	General reserve	Sub total	Effective portion of cash flow hedge reserve	
Balance as at 31 March 2023	**388.58**	**3.50**	**97.27**	**1,300.00**	**13,285.60**	**15,074.95**	**0.33**	**15,075.28**
Profit for the year	-	-	-	4,467.64	-	4,467.64	-	4,467.64
Used for issuance of bonus shares	(220.25)	-	-	-	-	(220.25)	-	
Reversal on disposal of revalued assets	-	-	(0.02)	-	-	(0.02)	-	(0.02)
Dividends (refer note 15 g)	-	-	-	(330.37)	-	(330.37)	-	(330.37)
Other comprehensive income for the year, net of tax	-	-	-	67.12	-	67.12	(1.33)	65.79
Transfer to general reserve	-	-	-	(4,204.39)	4,204.39	-	-	-
Balance as at 31 March 2024	**168.33**	**3.50**	**97.25**	**1,300.00**	**17,489.99**	**19,059.07**	**(1.00)**	**19,058.07**
Profit for the year	-	-	-	4,978.09	-	4,978.09	-	4,978.09
Reversal on disposal of revalued assets	-	-	(0.01)	-	-	(0.01)	-	(0.01)
Dividends (refer note 15 g)	-	-	-	(440.50)	-	(440.50)	-	(440.50)
Other comprehensive income for the year, net of tax	-	-	-	47.08	-	47.08	7.63	54.71
Transfer to general reserve	-	-	-	(4,584.67)	4,584.67	-	-	-
Balance as at 31 March 2025	**168.33**	**3.50**	**97.24**	**1,300.00**	**22,074.66**	**23,643.73**	**6.63**	**23,650.36**

* The revaluation reserve, preference share redemption reserve and capital redemption reserve are not “free reserve” as per Companies Act 2013, hence not available for distribution of dividend.

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm’s Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Tina Trikha
Director
DIN: 02778940

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 07 May 2025

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Notes to the standalone financial statements for the year ended 31 March 2025

1. Corporate information

Shriram Pistons & Rings Limited ("the Company") having CIN No.- L29112DL1963PLC004084 is a public Company domiciled in India and incorporated on December 9, 1963 under the provisions of the Companies Act, applicable in India. Its equity share is listed on National Stock Exchange of India Ltd. The registered office of the Company is located at 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi 110001.

The Company's business activity falls under "automotive component". Primary products manufactured by the Company are pistons, piston pins, piston rings and engine valves.

The financial statements of the Company are approved for issuance by the Company's Board of Directors on 07 May 2025.

2. (A) Material accounting policy information

2.A.1.1 Basis of accounting and preparation of financial statements

The Standalone financial statements ("financial statements") have been prepared in accordance with the Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 and Companies (Indian Accounting Standards) Amendment Rules, 2017 issued by the Ministry of Corporate Affairs ('MCA').

The financial statements have been prepared under historical cost convention on accrual and going concern basis, except for the following assets and liabilities:-

i) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

ii) Investments in unquoted equity shares measured at fair value

iii) Defined benefit liabilities are measured at present value of defined benefit obligation.

iv) Certain financial assets and liabilities at amortised cost

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The buyback of equity shares and related transaction costs are recorded as reduction of retained earnings/ general reserves. Capital redemption reserve is created as an apportionment from general reserves.

The financial statements are presented in INR "(Indian Rupees)" and all values are rounded to the nearest million, except when otherwise indicated.

2.A.1.2 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purpose, fair value measurement are categorised into level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in the entirety, which are described as follows:

- Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

- Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data..

2.A.1.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification

The Company classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it is expected to be settled in normal operating cycle;
- it holds the liability for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

The Company's normal operating cycle is twelve months.

2.A.1.4. Significant accounting judgements, estimates and assumptions.

The preparation of the financial statements is in conformity with Indian Accounting Standards (Ind AS) and requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise information, about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Standalone Financial Statements is included in the following notes.

- Deferred tax: Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.
- Impairment of financial assets and non-financial assets: The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses

judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

- Useful lives of depreciable/amortisable assets: Value of property, plant and equipment and intangibles at the end of each reporting period. Factors such as changes in the expected level of usage could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and may have an impact on the profit of the future years.
- Estimation of defined benefit obligation: Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- Estimation for expected credit losses of trade receivables: Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management believes that there is uncertainty of collections. Provision is recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.
- Incremental rate of borrowing for lease accounting: The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

2.A.2.1. Property, plant and equipment

Property, plant and equipment held for use in production or supply of goods and services, or for administrative purpose, are stated at historic cost, net of accumulated depreciation (net of input tax credits availed) including taxes and other incidental expenses related to acquisition, installation and borrowing cost on loan taken for the acquisition of qualifying assets upto the date the assets are ready for their intended use. Subsequent measurement of property, plant and equipment is done in accordance with cost model.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

Subsequent expenditure can be capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the company.

An item of property, plant and equipment is derecognised on disposal, or when no future economic benefit are expected to arise from the continued use of assets. Any gain and loss arising on the disposal of or retirement is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the statement of profit and loss.

2.A.2.2. Intangible assets

Intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the entity and the cost of the asset can be reliably measured.

Notes to the standalone financial statements for the year ended 31 March 2025

Intangible assets held for use in production or supply of goods and services, or for administrative purpose, are stated at are stated at historic cost, net of accumulated depreciation (net of input tax credits availed) including taxes and other incidental expenses related to acquisition, installation and borrowing cost on loan taken for the acquisition of qualifying assets upto the date the assets are ready for their intended use. Subsequent measurement of intangible assets is done in accordance with cost model.

An item of intangible asset is derecognised on disposal, or when no future economic benefit are expected to arise from the continued use of assets. Any gain and loss arising on the disposal of or retirement is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the statement of profit and loss.

2.A.2.3. Capital work-in-progress

Capital work-in-progress represents expenditure incurred in respect of capital projects under development and are carried at cost. Cost includes related acquisition expenses, development/ construction costs, borrowing costs and other direct expenditure. Subsequent measurement of capital work-in-progress is done in accordance with cost model.

2.A.2.4. Leases

Lessee accounting

1. Lease liability is recognised at the commencement of lease and measured at an amount equal to the present value of minimum lease payments during the lease term that are not yet paid.
2. Right of use asset is recognised at the commencement of lease and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of the restoration costs and any initial direct costs incurred by the lessee. Right-of-use assets are amortized on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets and impairment loss. Subsequent measurement of right-of-use assets is done in accordance with cost model.
3. The lease liability is measured in subsequent periods using the effective interest rate method.
4. Recognition and measurement exemption is availed for low-value assets and short term leases. Assets of low value include IT equipment or office furniture. No monetary threshold has been defined for low-value assets. Short-term leases are defined as leases with a lease term of 12 months or less.

2.A.3 Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

The Company is following written down value method in case of Furniture, fixtures and office equipment and straight line method in respect of other assets.

Depreciation on tangible property, plant and equipment has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the certain categories of assets, in whose case the life of the assets has been assessed based on technical advice, taking into account the nature, the estimated usage, operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance practices etc. Followings are the estimated useful lives of various category of assets used:

Factory building	-	thirty years
Office building	-	sixty years
Plant and equipment		
- General	-	twenty years
- Electric installation / equipment	-	fifteen years
- Dies	-	three years
Road	-	twenty years
Bore well	-	fifteen years

Vehicle	-	five years
Furniture and fixture / Office equipment	-	five years

All intangible assets are amortised on straight-line method over their estimated useful life as under.

Computer software	-	three years
Product design	-	three years
Enabling assets	-	fifteen years
Right of use assets under leases	-	over the lease period
Trademarks acquired on acquisition	-	ten years
Customer contracts acquired on acquisition	-	ten years

Assets costing up to Rs. 5,000 are fully depreciated in the year of acquisition.

Depreciation on assets acquired/sold/discarded during the year is charged on pro-rata basis except for furniture, fixtures and equipments where full year's depreciation is computed in the year of acquisition and no depreciation is provided in the year of sale.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and the effect of any changes in estimate is accounted for on a prospective basis.

2.A.4. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

Financial assets

All regular way purchases or sales of financial assets are accounted for at trade date basis. Regular way purchases or sales are purchase or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost

i) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

i) The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

Financial asset which are not classified in any of the above categories are subsequently measured at fair value through profit or loss (FVTPL).

Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. The average credit period is 55 days.

Notes to the standalone financial statements for the year ended 31 March 2025

Investments

Investment in subsidiaries are carried at cost less impairment losses, if any. Any permanent diminution in the value of investments is provided for in the books of account.

Investments in mutual funds and investment in equity instrument are measured at fair value through profit or loss.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost or at fair value through profit or loss (FVTPL). For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Fair value is determined in the manner described in note no 44.

2.A.5. Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and cross currency interest rate swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

(i) Financial assets or financial liabilities, at fair value through profit or loss.

This category has derivative financial assets or liabilities which are not designated as hedges. Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through the statement of profit and loss and the resulting exchange gains or losses are included in the statement of profit and loss. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance sheet date.

(ii) Hedge accounting

The Company designates the derivatives as hedge of foreign exchange risk associated with the cash flows of highly probable forecast transaction.

The Company documents at the inception of the hedging transaction the economic relationship between hedging instrument and hedge items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

When forward contracts are used to hedge forecast transactions, the Company generally designates related forward contract related as the hedging instruments.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognised in other comprehensive income and accumulated under the heading of cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to the statement of profit and loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. For the same, Company matches critical terms of hedge item and hedge instruments.

Notes to the standalone financial statements for the year ended 31 March 2025

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction and cross currency interest rate swap transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction and cross currency interest rate swap transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

Fair value is determined in the manner described in note no 44.

2.A.6. Employee benefits

Retirement benefit costs and termination benefits:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Contribution towards Provident Fund and Superannuation Fund is paid as per the statutory provisions/ Company's scheme. These benefits are charged to the statement of profit and loss of the year when they become due. For the provident fund trust administrated by the trustees, the Company is liable to meet the shortfall, if any, in payment of interest at the rates declared by Central Government and such liability is recognised in the year of shortfall. For defined post-employment employee benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

i) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

ii) Net interest expense or income; and

iii) Re-measurement.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Leave availment / encashment benefit is provided as per Company's scheme. Employees are entitled to accumulate leaves subject to certain limit as per Company's scheme.

Liabilities for compensated absence that are not expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service, are measured at the present value of expected future payment to be made in respect of service provided by employees up to the end of reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of reporting period. Remeasurement as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss.

Employee benefits in the form of long service awards is provided as per Company scheme. The liability is determined through actuarial valuation using projected unit credit method.

Notes to the standalone financial statements for the year ended 31 March 2025

2.A.7. Taxes on income

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.A.8. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.A.9. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.

When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.

2.A.10. Revenue recognition

Sale of products/services

Revenue from the sale of products or services is recognised upon transfer of control to customers. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example, taxes and duties collected on behalf of the government). A receivable is recognized upon satisfaction of performance obligations as per the contracts and is measured at transaction price.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Notes to the standalone financial statements for the year ended 31 March 2025

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Export benefits

Export benefit entitlements is in the nature of income, and are recognised when the right to receive benefit is established in respect of the exports made and the realisation is reasonably certain.

2.A.11. Inventories

Inventories are valued at lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition is accounted for as follows:

i) Raw materials, loose tools and store and spares : cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Raw materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

ii) Work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

iii) Finished goods: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

iv) Stock-in-trade: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2. (B) Other accounting policy information

2.B.1. Other income

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the interest rate as applicable.

Miscellaneous income

Other revenues are recognised on accrual basis, except where there are uncertainties in realisation / determination of income and in such case income is recognised on realisation / certainty.

2.B.2. Research and development

Revenue expenditure on research and development, inclusive of dies for new model development, is charged as expense in the year in which incurred. Capital expenditure is included in property, plant, equipment and intangible assets.

2.B.3. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time the assets are substantially ready for their intended use or sale.

Notes to the standalone financial statements for the year ended 31 March 2025

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

2.B.4. Earnings per share

Basic earnings per share is calculated by dividing profit or loss attributable to the owners of the Company by weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split and any new equity issue.

For the purpose of calculating diluted earnings per share, profit or loss attributable to the owners of the Company and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.B.5. Impairment of assets

The carrying values of Property, plant and equipment, right of use assets and intangible assets or cash generating units are reviewed at each Balance sheet date for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the statement of profit and loss.

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

2.B.6. Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. The Company is primarily engaged in the manufacturing and assembling of automotive components for the automotive industry. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risk and returns hence CODM reviews as one balance sheet component.

2.B.7. Foreign currency transactions and translations

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing on or closely approximating to the date of transaction.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except exchange differences on transactions entered into in order to hedge certain foreign currency risks.

For foreign currency denominated financial assets measured at amortised cost or FVTPL, the exchange differences are recognised in statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.

Notes to the standalone financial statements for the year ended 31 March 2025

2. (C) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. 01 April 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its standalone financial statements.

Notes to the standalone financial statements for the year ended 31 March 2025

3. Property, plant & equipment

Rs. million

Particulars	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Dies	Total
As at 31 March 2024							
Gross carrying amount							
Opening gross carrying amount	1,664.22	9,821.54	60.46	45.63	220.66	184.38	11,996.89
Additions	28.55	483.68	10.23	-	73.60	39.97	636.03
Disposals	(0.44)	(34.32)	(4.90)	(9.59)	(25.35)	(10.10)	(84.70)
Closing gross carrying amount as at 31 March 2024	**1,692.33**	**10,270.90**	**65.79**	**36.04**	**268.91**	**214.25**	**12,548.22**
Accumulated depreciation							
Opening accumulated depreciation	487.48	5,794.94	49.35	-	171.43	119.44	6,622.64
Depreciation charged during the year	65.47	597.38	8.07	9.63	48.17	29.66	758.38
Disposals	(0.20)	(24.76)	(4.43)	(7.00)	(21.89)	(9.59)	(67.87)
Closing accumulated depreciation as at 31 March 2024	**552.75**	**6,367.56**	**52.99**	**2.63**	**197.71**	**139.51**	**7,313.15**
Net carrying amount as at 31 March 2024	**1,139.58**	**3,903.34**	**12.80**	**33.41**	**71.20**	**74.74**	**5,235.07**
As at 31 March 2025							
Gross carrying amount							
Opening gross carrying amount	1,692.33	10,270.90	65.79	36.04	268.91	214.25	12,548.22
Additions	2.87	734.04	6.94	-	33.51	42.37	819.73
Disposals	-	(69.90)	(22.00)	-	(62.65)	(9.46)	(164.01)
Closing gross carrying amount as at 31 March 2025	**1,695.20**	**10,935.04**	**50.73**	**36.04**	**239.77**	**247.16**	**13,203.94**
Accumulated depreciation							
Opening accumulated depreciation	552.75	6,367.56	52.99	2.63	197.71	139.51	7,313.15
Depreciation charged during the year	64.77	602.72	5.70	9.15	35.40	36.30	754.04
Disposals	-	(37.35)	(18.21)	-	(48.04)	(8.90)	(112.50)
Closing accumulated depreciation as at 31 March 2025	**617.52**	**6,932.93**	**40.48**	**11.78**	**185.07**	**166.91**	**7,954.69**
Net carrying amount as at 31 March 2025	**1,077.68**	**4,002.11**	**10.25**	**24.26**	**54.70**	**80.25**	**5,249.25**

Notes:

i) The Company has not revalued property, plant and equipment during the year.

ii) The title deeds of immovable properties are held in the name of the Company as at the balance sheet date.

iii) The above assets are secured against borrowings, refer note no. 17 and 21.

Notes to the standalone financial statements for the year ended 31 March 2025

4. Capital-Work-in Progress

Rs. million

	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	93.48	45.73
Additions during the year	745.97	615.53
Capitalised / adjusted during the year	(778.28)	(567.78)
Balance at the end of the year	**61.17**	**93.48**

Note:

1. The capital-work-in-progress mainly consist of property, plant and equipment under construction / installation and which are not ready for use at year end.
2. There are no such projects under capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan as of 31 March 2025 and 31 March 2024.

Capital-work-in progress ageing schedule is as under

Rs. million

Particulars	As on 31 March 2025				
	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	
Projects in progress*	59.67	-	-	-	59.67
Projects temporarily suspended	-	-	1.50	-	1.50

Particulars	As on 31 March 2024				
	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	
Projects in progress*	91.98	-	-	-	91.98
Projects temporarily suspended	-	1.50	-	-	1.50

Notes:

a) The above assets are secured against borrowings, refer note no. 17 and 21.

b) *The projects in progress as on 31 March 2025 will be completed within 1 year.

5. Goodwill and other intangible assets

Rs. million

Particulars	Goodwill	Other intangible assets						Grand Total
		Computer software	Product design and development	Enabling assets	Customer contracts	Trademarks	Sub total	
As at 31 March 2024								
Gross carrying amount								
Opening gross carrying amount	14.85	95.73	92.27	85.59	114.36	103.78	491.73	506.58
Additions	-	3.94	17.14	0.85	-	-	21.93	21.93
Disposals	-	(2.41)	-	-	-	-	(2.41)	(2.41)
Closing gross carrying amount as at 31 March 2024	**14.85**	**97.26**	**109.41**	**86.44**	**114.36**	**103.78**	**511.25**	**526.10**

Notes to the standalone financial statements for the year ended 31 March 2025

Rs. million

Particulars	Goodwill	Other intangible assets						Grand Total
		Computer software	Product design and development	Enabling assets	Customer contracts	Trademarks	Sub total	
Accumulated amortisation								
Opening accumulated depreciation	-	76.11	71.69	21.18	57.19	51.89	278.06	278.06
Depreciation / amortisation charged during the year	-	3.46	11.66	5.59	11.43	10.38	42.52	42.52
Disposals	-	(2.41)	-	-	-	-	(2.41)	(2.41)
Closing accumulated depreciation as at 31 March 2024	**-**	**77.16**	**83.35**	**26.77**	**68.62**	**62.27**	**318.17**	**318.17**
Net carrying amount as at 31 March 2024	**14.85**	**20.10**	**26.06**	**59.66**	**45.75**	**41.51**	**193.08**	**207.93**
As at 31 March 2025								
Gross carrying amount								
Opening gross carrying amount	14.85	97.26	109.41	86.44	114.36	103.78	511.25	526.10
Additions	-	12.27	-	2.62	-	-	14.89	14.89
Disposals	-	-	-	-	-	-	-	-
Closing gross carrying amount as at 31 March 2025	**14.85**	**109.53**	**109.41**	**89.06**	**114.36**	**103.78**	**526.14**	**540.99**
Accumulated amortisation								
Opening accumulated depreciation	-	77.16	83.35	26.77	68.62	62.27	318.17	318.17
Depreciation / amortisation charged during the year	-	5.67	12.31	5.71	11.44	10.38	45.51	45.51
Disposals	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at 31 March 2025	**-**	**82.83**	**95.66**	**32.48**	**80.06**	**72.65**	**363.68**	**363.68**
Net carrying amount as at 31 March 2025	**14.85**	**26.70**	**13.75**	**56.58**	**34.30**	**31.13**	**162.46**	**177.31**

i) Goodwill represents goodwill arisen on amalgamation of Shriram Automotive Product Limited. Goodwill is tested for impairment on annual basis and wherever there is an indication that the recoverable amount is less than its carrying amount based on a number of factors including in business plan, operating results, future cash flows and economic conditions. The recoverable amount is determined based on higher of value in use and fair value less cost to sell. The Company generally uses discounted cash flows method to determine the recoverable amount. These discounted cash flow calculation are based on financial forecasts, cash flow projections take into account past experience and represent management's best estimate about future developments.

Ii) The Company has not revalued its other intangible assets during the year.

Notes to the standalone financial statements for the year ended 31 March 2025

6. Right of use assets

Rs. million

Particulars	Right of use assets (refer note 38)			
	Land	Building	Motor car	Total
As at 31 March 2024				
Gross carrying amount				
Opening gross carrying amount	429.04	453.69	34.39	917.12
Additions	-	24.12	22.10	46.22
Disposals	-	(16.62)	-	(16.62)
Closing gross carrying amount as at 31 March 2024	**429.04**	**461.19**	**56.49**	**946.72**
Accumulated amortisation				
Opening accumulated depreciation	24.45	228.29	1.46	254.20
Depreciation / amortisation charged during the year	6.13	57.66	9.06	72.85
Disposals	-	(11.78)	-	(11.78)
Closing accumulated depreciation as at 31 March 2024	**30.58**	**274.17**	**10.52**	**315.27**
Net carrying amount as at 31 March 2024	**398.46**	**187.02**	**45.97**	**631.45**
As at 31 March 2025				
Gross carrying amount				
Opening gross carrying amount	429.04	461.19	56.49	946.72
Additions	-	32.57	5.79	38.36
Disposals	-	-	-	-
Closing gross carrying amount as at 31 March 2025	**429.04**	**493.76**	**62.28**	**985.08**
Accumulated amortisation				
Opening accumulated depreciation	30.58	274.17	10.52	315.27
Depreciation / amortisation charged during the year	6.11	46.18	13.51	65.80
Disposals	-	-	-	-
Closing accumulated depreciation as at 31 March 2025	**36.69**	**320.35**	**24.03**	**381.07**
Net carrying amount as at 31 March 2025	**392.35**	**173.41**	**38.25**	**604.01**

Note:

i) The right of use assets (land) is mortgaged as security against borrowings, refer note no. 17 and 21.

ii) The title deeds of immovable properties are held in the name of the Company as at the balance sheet date.

Notes to the standalone financial statements for the year ended 31 March 2025

7. Investments

	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Rs. million	No. of shares	Rs. million
Non current investments (Unquoted)				
Nil (previous year: 31 March 2024: Nil) shares of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) (refer note 54)	-	30.96	-	30.96
Equity instrument:				
Investment in subsidiary carried at cost				
600,000,000 (previous year: 31 March 2024: 350,000,000) shares of Rs. 10 each fully paid up in SPR Engenious Limited (refer note 55)	60,00,00,000	6,000.00	35,00,00,000	3,500.00
Investment carried at Fair value through statement of Profit or Loss				
3,636,363 (previous year: 31 March 2024: 3,636,363) shares of Rs. 10 each fully paid up in Lalganj Power Private Limited	36,36,363	48.00	36,36,363	48.00
1,037,430 (previous year: 31 March 2024: Nil) shares of Rs. 10 each fully paid up in Fourth Partner Solar Power Private Limited	10,37,430	52.00	-	-
		6,130.96		**3,578.96**
Aggregate book value of unquoted investments		6,130.96		3,578.96
Aggregate value of impairment in value of investments		-		-
Current investments (Unquoted)				
Carried at fair value through Statement of Profit and loss				
Investment in Mutual fund (Liquid fund) Units of Face value of Rs 1000 each				
- Nil units (Previous year: 13,045) UTI Liquid Fund - Direct Plan Growth		-		51.62
- Nil units (Previous year: 102,635) AXIS Liquid Fund - Direct Growth		-		275.44
- Nil units (Previous year: 19,122) HSBC liquid fund direct Growth		-		46.01
		-		**373.07**
Aggregate book value of unquoted investments		-		372.11
Aggregate market value of unquoted investments		-		373.07
Aggregate value of impairment in value of investments		-		-

Notes to the standalone financial statements for the year ended 31 March 2025

8. Loans

(Unsecured, considered good unless otherwise stated)

Rs. million

	As at 31 March 2025	As at 31 March 2024
Non-current:		
Loan to employee*	120.00	-
	120.00	-
Current:		
Loan to employee*	30.00	-
	30.00	**-**

*Represents interest-free advance for purchase of residential accomodation to Mr. Krishnakumar Srinivasan, MD & CEO, repayable in five equal yearly instalments in terms of the scheme of interest free advance upto Rs. 150 million approved in the shareholders' meeting dated 24 July 2024, in accordance with the provisions of Section 185 and other applicable provisions of Companies Act, 2013. (refer note 36)

9. Other Financial Assets

(At amortised cost excluding derivative instrument)

Rs. million

	As at 31 March 2025	As at 31 March 2024
Non-current:		
Deposits more than 12 months	960.79	1,350.86
Security deposits	201.19	193.19
Derivative instrument (refer note 44)	22.10	20.02
	1,184.08	**1,564.07**
Current:		
Security deposits	6.52	4.32
Interest accrued on deposits	432.69	359.14
Derivative instrument (refer note 44)	19.68	7.95
	458.89	**371.41**

10. Tax assets/ (liabilities) net

Rs. million

	As at 31 March 2025	As at 31 March 2024
Advance income tax	1,603.52	1,439.88
Less: provision for income tax	(1,707.76)	(1,523.83)
Net	**(104.24)**	**(83.95)**

Notes to the standalone financial statements for the year ended 31 March 2025

11. Other assets

(Unsecured, considered good unless stated otherwise)

Rs. million

		As at 31 March 2025	As at 31 March 2024
Non-current:			
i)	Capital advances	39.26	137.21
ii)	Export incentive receivable		
	Unsecured, considered good	7.55	9.68
	Unsecured, considered doubtful	4.30	4.66
		11.85	14.34
	Provision for doubtful advances	(4.30)	(4.66)
		7.55	**9.68**
iii)	Prepaid expenses	10.51	14.79
iv)	Other assets		
	Unsecured, considered good*	86.12	182.32
	Unsecured, considered doubtful	-	-
		143.44	**344.00**

*Other assets - non current includes Rs. 22.80 million (previous year: Rs. 182.32 million) paid under protest to government authorities and employee advances Rs. 63.31 (previous year: nil).

Current:			
i)	Advances other than capital advances recoverable in cash or in kind or for value to be received		
	Unsecured, considered good	203.74	132.63
	Unsecured, considered doubtful	15.30	15.47
		219.04	148.10
	Provision for doubtful advances	(15.30)	(15.47)
		203.74	**132.63**
ii)	Export incentive receivable		
	Unsecured, considered good	25.87	13.84
	Unsecured, considered doubtful	0.24	0.24
		26.11	14.08
	Provision for doubtful advances	(0.24)	(0.24)
		25.87	**13.84**
iii)	Balance with government authorities	64.00	66.29
iv)	Prepaid expenses	49.49	47.74
v)	Other assets		
	Unsecured, considered good*	353.76	294.63
	Unsecured, considered doubtful	3.83	3.83
		357.59	298.46
	Provision for doubtful assets	(3.83)	(3.83)
		353.76	294.63
		696.86	**555.13**

* Other assets majorly includes Rs. 331.09 million (previous year Rs. 271.83 million) of surplus in Shriram Pistons & Rings Limited Gratuity Fund Trust.

Notes to the standalone financial statements for the year ended 31 March 2025

12. Inventories

(valued at lower of cost or net realisable value)

Rs. million

	As at 31 March 2025	As at 31 March 2024
Raw material and components	1,123.49	806.54
(includes in transit Rs. 2.67 million (previous year: Rs. 24.75 million))		
Work-in-progress	1,085.61	923.72
(includes in transit Rs. 2.72 million (previous year: Rs. 4.51 million))		
Finished goods	1,590.16	1,406.14
(includes in transit Rs. 94.23 million (previous year: Rs. 57.50 million))		
Stock- in - trade	48.86	29.61
(includes in transit Rs. 2.93 million (previous year: Rs.2.04 million))		
Stores and spares	316.44	325.29
(includes in transit Rs. 45.91 million (previous year: Rs 38.81 million))		
Loose tools	35.81	44.91
	4,200.37	**3,536.21**

Notes:

i) The inventories are hypothecated as security against working capital loans from banks, refer note no 21.

ii) The value of inventories above is net off of write down of Rs. 190.32 million (previous year Rs. 149.69 million).

13. Trade receivables

Rs. million

	As at 31 March 2025	As at 31 March 2024
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured*	5,127.15	4,418.82
Receivable which have significant increase in credit risk	21.00	31.53
Receivable credit impaired	5.21	0.88
	5,153.36	4,451.23
Less: Allowances for receivables which have significant increase in credit risk/credit impaired	(26.21)	(32.41)
	5,127.15	**4,418.82**

Trade receivables includes Rs. 3.61 million (previous year: Rs. 4.09 million) due to related parties (refer note 36)

Notes:

i) The trade receivables are pledged as security against working capital loans from banks, refer note no 21.

ii) *No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

Notes to the standalone financial statements for the year ended 31 March 2025

Trade receivable ageing as on 31st March 2025 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	-	4,701.16	422.17	3.82	-	-	-	**5,127.15**
(ii) Undisputed trade receivables –which have significant increase in credit risk	-	-	2.99	1.33	3.94	2.05	10.69	**21.00**
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	**-**
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-	**-**
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	5.21	**5.21**
Total	**-**	**4,701.16**	**425.16**	**5.15**	**3.94**	**2.05**	**15.90**	**5,153.36**

Trade receivable ageing as on 31st March 2024 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	-	3,961.67	449.39	7.76	-	-	-	**4,418.82**
(ii) Undisputed trade Receivables –which have significant increase in credit risk	-	-	4.68	1.87	6.38	3.91	14.69	**31.53**
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	**-**
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-	**-**
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	0.88	**0.88**
Total	**-**	**3,961.67**	**454.07**	**9.63**	**6.38**	**3.91**	**15.57**	**4,451.23**

Notes to the standalone financial statements for the year ended 31 March 2025

14. Cash and cash equivalents and other bank balances

Rs. million

	As at 31 March 2025	As at 31 March 2024
i) Cash and cash equivalents		
Cash on hand	0.32	0.37
Balances with banks		
- Deposits with original maturity less than 3 months	-	250.00
- current accounts	277.59	56.20
	277.91	**306.57**
ii) Other bank balances		
- Unclaimed dividend account	1.21	1.24
- Unspent CSR account	2.53	2.62
- Deposits with original maturity more than 3 month but less than 12 months	8,411.48	6,537.71
- Deposits held as margin money*	995.40	958.93
	9,410.62	**7,500.50**
	9,688.53	**7,807.07**

* Margin money is deposited with bank majorly towards overdraft facility availed.

15. Equity share capital

	As at 31 March 2025	As at 31 March 2024
	Rs. million	Rs. million
Authorised Share Capital		
52,500,000 (previous year 52,500,000) equity shares of Rs. 10 each	525.00	525.00
3,000,000 (previous year 3,000,000) preference shares of Rs. 100 each	300.00	300.00
	825.00	**825.00**
a. Issued, subscribed and fully paid up share capital		
44,049,824 (previous year 44,049,824) equity shares of Rs. 10 each (refer note 53)	440.50	440.50
	440.50	**440.50**

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having face value of Rs. 10/- per share. Each holder of equity share is entitled to dividend and one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

Notes to the standalone financial statements for the year ended 31 March 2025

c. Reconciliation of numbers of equity shares outstanding at the beginning and at the end of reporting year

	As at 31 March 2025		As at 31 March 2024	
	No. of shares	**Rs. million**	**No. of shares**	**Rs. million**
Opening balance	4,40,49,824	440.50	2,20,24,912	220.25
Issued during the year (refer note 53)	-	-	2,20,24,912	220.25
Closing balance	**4,40,49,824**	**440.50**	**4,40,49,824**	**440.50**

d. Details of equity shareholders holding more than 5% shares in the Company

	As at 31 March 2025		As at 31 March 2024	
	No. of shares	**% shareholding**	**No. of shares**	**% shareholding**
Equity shares of Rs. 10 each fully paid				
Riken Corporation	93,84,114	21.30	93,84,114	21.30
Luv D. Shriram and Meenakshi Dass*	60,07,362	13.64	66,67,862	15.14
Meenakshi Dass and Luv D. Shriram *	60,07,362	13.64	66,67,862	15.14
National Insurance Company Limited	19,95,833	4.53	24,83,005	5.64

* Shares held on behalf of Deepak Shriram Family Benefit Trust.

e) Details of Shares held by Promoters & Promoter Group at the end of the year

	As at 31 March 2025			As at 31 March 2024		
Name of the Promoter & Promoter Group	**No. of shares**	**% shareholding#**	**% Change during the year**	**No. of shares**	**% shareholding**	**% Change during the year**
Meenakshi Dass & Luv D. Shriram*	60,07,362	13.64	(1.50)	66,67,862	15.14	-
Luv D. Shriram & Meenakshi Dass*	60,07,362	13.64	(1.50)	66,67,862	15.14	-
Meenakshi Dass	16,69,440	3.79	-	16,69,440	3.79	-
Nandishi Shriram	1,730	0.00***	-	1,730	0.00***	-
Luv D. Shriram and Kush D. Shriram**	4	0.00***	-	4	0.00***	-
Luv D. Shriram	10,900	0.02	-	10,900	0.02	-
Sarva Commercial Pvt. Ltd.	21,33,160	4.84	-	21,33,160	4.84	-
Sera Com Pvt. Ltd	19,00,794	4.32	-	19,00,794	4.32	-
Manisha Commercial Pvt. Ltd.	13,35,958	3.03	-	13,35,958	3.03	-
Shabnam Commercial Pvt. Ltd.	2,06,394	0.47	-	2,06,394	0.47	-
Kush D. Shriram	2	0.00***	-	2	0.00***	-

#During the year, the promoter i.e. Meenakshi Dass & Luv D. Shriram and Luv D. Shriram & Meenakshi Dass disposed off 13,21,000 (3%) equity shares in open market.

* Shares held on behalf of Deepak Shriram Family Benefit Trust.

** Shares held on behalf of NAK Benefit Trust.

*** Rounded off to zero.

Notes to the standalone financial statements for the year ended 31 March 2025

f) (i) Aggregate number and class of shares allotted as fully paid up by way of bonus shares during the period of five years immediately preceding 31 March 2025:

	31 March 2025 No. of shares	31 March 2024 No. of shares	31 March 2023 No. of shares	31 March 2022 No. of shares	31 March 2021 No. of shares
Equity shares allotted fully paid up under bonus issue	-	22,024,912*	-	-	-

ii) Aggregate number of shares bought back during the period of five years immediately preceding 31 March 2025:

	31 March 2025 No. of shares	31 March 2024 No. of shares	31 March 2023 No. of shares	31 March 2022 No. of shares	31 March 2021 No. of shares
Equity shares fully paid up buy back	-	-	-	350,000**	-

iii) There are no shares allotted as fully paid up pursuant to contracts without payment being received in cash during the period of five years immediately preceding 31 March 2025.

*The Board pursuant to shareholder's approval in the annual general meeting held on 06 July 2023, allotted 2,20,24,912 equity shares as bonus share in the ratio of 1:1.

**During the year ended 31 March 2022, the Company has concluded the buyback of 3,50,000 equity shares (at a price of Rs 1020/- per equity share) as approved by the Board of Directors on 30 July 2021. This has resulted in a total cash outflow of Rs 449.7 million (including tax on buyback of Rs 82.4 million & transaction cost of Rs 10.3 million). In line with the requirement of the Companies Act 2013, an amount of Rs 446.2 million has been utilized from retained earnings. Further, capital redemption reserve of Rs 3.5 million (representing the nominal value of the shares bought back) has been created as an apportionment from General reserve. Consequent to such buyback, the paid-up equity share capital has reduced by Rs 3.5 million.

g) Dividends

i) The Board of directors, in its meeting held on 07 May 2025 has proposed final dividend of Rs. 5 /-per equity share (face value of Rs. 10/- per equity share) to equity shareholders for the year ended 31 March 2025. This dividend together with the interim dividend of Rs. 5/- per equity share, aggregating total dividend to Rs. 10/- per equity share for the financial year 2024-25. The final dividend is subject to the approval of shareholders in Annual General Meeting of the Company and same has not been recognised as liability in financial statements for the year ended 31 March 2025.

ii) The Board of directors, in its meeting held on 13 May 2024, has proposed final dividend of Rs 5/-per equity share (face value of Rs. 10 per equity share) to equity shareholders for the year ended 31 March 2024. This dividend together with the interim dividend of Rs.5/- per equity share, aggregating total dividend to Rs. 10/- per equity share for the financial year 2023-24. The final dividend has been approved by the Shareholders in Annual General Meeting of the Company held on 24 July 2024.

Notes to the standalone financial statements for the year ended 31 March 2025

16. Other equity

Particulars	Reserves and surplus						Items of other comprehensive income	Total
	Preference share redemption reserve	Capital redemption reserve	Revaluation reserve	Retained earnings	General reserve	Sub Total	Effective portion of cash flow hedge reserve	
Balance as at 31 March 2023	**388.58**	**3.50**	**97.27**	**1,300.00**	**13,285.60**	**15,074.95**	**0.33**	**15,075.28**
Profit for the year	-	-	-	4,467.64	-	4,467.64	-	4,467.64
Used for issuance of bonus shares	(220.25)	-	-	-	-	(220.25)	-	(220.25)
Other comprehensive income for the year	-	-	-	67.12	-	67.12	(1.33)	65.79
Reversal on disposal of revalued assets	-	-	(0.02)	-	-	(0.02)	-	(0.02)
Dividends	-	-	-	(330.37)	-	(330.37)	-	(330.37)
Transfer to general reserve	-	-	-	(4,204.39)	4,204.39	-	-	-
Balance as at 31 March 2024	**168.33**	**3.50**	**97.25**	**1,300.00**	**17,489.99**	**19,059.07**	**(1.00)**	**19,058.07**
Profit for the year	-	-	-	4,978.09	-	4,978.09	-	4,978.09
Other comprehensive income for the year	-	-	-	47.08	-	47.08	7.63	54.71
Reversal on disposal of revalued assets	-	-	(0.01)	-	-	(0.01)	-	(0.01)
Dividends (refer note 15 g)	-	-	-	(440.50)	-	(440.50)	-	(440.50)
Transfer to general reserve	-	-	-	(4,584.67)	4,584.67	-	-	-
Balance as at 31 March 2025	**168.33**	**3.50**	**97.24**	**1,300.00**	**22,074.65**	**23,643.72**	**6.63**	**23,650.36**

Nature and purpose of reserves:

Preference share redemption reserve

The Company issued 10,00,000 nos. of preference shares in financial year 1997-98 of Rs. 100/- each and the same were redeemed during the financial years viz- 2002-03 and 2003-04. Further, the Company issued 28,85,760 nos. of preference shares of Rs. 100/- each in financial year 2019-20 and same were redeemed in the financial year 2019-20. Accordingly, the preference share redemption reserve of Rs. 388.58 million was created. In the financial year 2023-24, Rs. 220.25 million has been used for issuance of bonus share and balance reserve amount is available for the purposes as specified under the provisions of the Companies Act, 2013.

Capital redemption reserve

The Company bought back 3,50,000 equity shares in the financial year 2021-22 and created capital redemption reserve as per the applicable provision of the Companies Act, 2013. The reserve amount is available for the purposes as specified under the provisions of the Companies Act, 2013.

Revaluation reserve

In the Financial year 1995-96, the Company had revalued its existing property, plant and equipment and created a revaluation reserve for the same.

Retained earnings

Retained earnings represents the net profit/(loss) retained by the Company for its core business activities. Also, includes re-measurement gains / (loss) on defined benefit plans.

General reserves

General reserves represents amount appropriated out of retained earnings.

Cash flow hedge reserve

Cumulative changes in the fair value of financial instruments designated as effective hedge are recognised in cash flow hedge reserve through OCI (net of taxes). Amounts recognised in the cash flow hedge reserve are reclassified to the statement of profit and loss when the underlying transaction occurs.

Notes to the standalone financial statements for the year ended 31 March 2025

17. Borrowings

(At amortised cost)

Rs. million

	As at 31 March 2025	As at 31 March 2024
Non-current:		
Secured		
Term loans from banks	1,061.94	1,332.85
Unsecured		
Deposits	-	164.51
Deposits from related parties (refer note 36)	-	10.78
	1,061.94	1,508.14
Less: Current maturities of non-current borrowings (refer note 21)	(294.53)	(281.11)
Less: Current maturities of deposits (refer note 21)	-	(174.80)
	767.41	**1,052.23**

i) Term loans from banks of Rs. 1,061.94 million (previous year: Rs. 1,332.85 million) are secured by way of first pari passu charge on all the movable and immovable property of the Company, present and future.

Amount outstanding		Repayment period from origination (years)	Installments		Effective Rate of Interest per annum %	
As at 31 March 2025 (Rs. million)	As at 31 March 2024 (Rs. million)		Outstanding No.	Periodicity	As at 31 March 2025	As at 31 March 2024
260.00	340.00	6*	13	Quarterly	8.20	8.34
421.67	538.06	6*	13	Quarterly	8.10	8.25
380.27	454.79	6	15	Quarterly	7.80	7.99
1,061.94	**1,332.85**					

* The repayment period includes moratorium of 1 year from the date of origination

ii) The long term deposits have been raised under Section 58A of the Companies Act, 1956 and Section 73 to 76 of the Companies Act, 2013 for maturity period of 3 years (refer note 66).

Amount outstanding		Repayment period from origination (years)	Rate of interest per annum %	
As at 31 March 2025 (Rs. million)	As at 31 March 2024 (Rs. million)		As at 31 March 2025	As at 31 March 2024
-	175.29	3	-	6.50-9.50
-	**175.29**			

Notes to the standalone financial statements for the year ended 31 March 2025

iii) Disclosure under Para 44A as set out in IND AS on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

Changes in liabilities arising from financing activities

Rs. million

Particular	Outstanding balance as on 01 April 2024	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2025
Long term borrowing (including current maturities of long term debt)	1,332.85	(274.52)	3.61	1,061.94
Short-term borrowings (refer note 21)	1,900.02	596.33	-	2,496.35
Deposits (including unclaimed matured deposits)	176.71	(176.71)	-	-
Lease liabilities (refer note 38)	268.88	(83.13)	63.51	249.26

Particular	Outstanding balance as on 01 April 2023	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2024
Long term borrowing (including current maturities of long term debt)	1,374.45	(45.98)	4.38	1,332.85
Short-term borrowings (refer note 21)	1,122.08	777.94	-	1,900.02
Deposits (including unclaimed matured deposits)	408.79	(232.08)	-	176.71
Lease liabilities (refer note 38)	291.90	(87.63)	64.61	268.88

18. Provisions

Rs. million

	As at 31 March 2025	As at 31 March 2024
Non-current:		
Provision for compensated absences (refer note 35)	324.60	299.84
Provision for other employee benefits	0.20	0.38
	324.80	**300.22**
Current:		
Provision for compensated absences (refer note 35)	159.76	149.28
Provision for other employee benefits	0.33	1.10
	160.09	**150.38**

19. Other liabilities

Rs. million

	As at 31 March 2025	As at 31 March 2024
Revenue received in advance (refer note 24)	71.53	81.39
Statutory dues	270.47	306.29
Others *	67.64	55.62
	409.64	**443.30**

*Others includes provision for superannuation contribution and unspent CSR amount.

Notes to the standalone financial statements for the year ended 31 March 2025

20. a) Deferred tax liability (net)

Rs. million

	As at 31 March 2025	As at 31 March 2024
Deferred tax liability		
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	366.67	362.14
Defined benefit plans	56.25	43.48
Right to use assets	53.57	58.63
	476.49	**464.25**
Deferred tax assets		
Expenses deductible on payment basis	143.24	133.49
Provision for doubtful debts/advances/others	12.56	14.26
Lease liability	62.62	67.67
Others	5.48	8.71
	223.90	224.13
Net deferred tax liability	**252.59**	**240.12**

b) Reconciliation of tax expenses and accounting profit

	As at 31 March 2025		As at 31 March 2024	
	Rs. million	**%**	**Rs. million**	%
Profit before tax	6,679.92		5,988.60	
Income tax expenses calculated at current tax rate	1,681.20	25.17%	1,507.21	25.17%
Add : Effect of expenses that are not deductible in determining taxable profit.	20.63	0.31%	13.75	0.23%
Income tax expenses recognised in statement of profit and loss.	**1,701.83**	**25.48%**	**1,520.96**	**25.40%**

(c) Changes in deferred tax liability (net)

	As at 31 March 2024	Recognised in		As at 31 March 2025
		OCI	Profit / loss	
Items leading to creation of deferred tax assets				
Expenses deductible on payment basis	133.49	-	9.75	143.24
Provision for doubtful debts/advances	14.26	-	(1.70)	12.56
Lease liability	67.67	-	(5.05)	62.62
Others	8.71	(2.57)	(0.66)	5.48
Items leading to deferred tax liabilities				
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	362.14	-	4.53	366.67
Defined benefit plans	43.48	15.83	(3.06)	56.25
Right to use assets	58.63		(5.06)	53.57
Net deferred tax assets / (liability)	**(240.12)**	**(18.40)**	**5.93**	**(252.59)**

Notes to the standalone financial statements for the year ended 31 March 2025

	As at 31 March 2023	Recognised in		As at 31 March 2024
		OCI	Profit / loss	
Items leading to creation of deferred tax assets				
Expenses deductible on payment basis	130.57	-	2.93	133.49
Provision for doubtful debts/advances	13.78	-	0.48	14.26
Lease liability	67.67	-	-	67.67
Others	8.25	0.46	-	8.71
Items leading to deferred tax liabilities				
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	361.60	-	0.54	362.14
Defined benefit plans	20.91	22.57	-	43.48
Right to use assets	58.63	-	-	58.63
Net deferred tax assets / (liability)	**(220.87)**	**(22.11)**	**2.87**	**(240.12)**

21. Short term borrowings

(At amortised cost)

Rs. million

	As at 31 March 2025	As at 31 March 2024
Secured		
Working capital loans from banks repayable on demand*	1,496.35	1,900.02
Current maturities of non-current borrowings (refer note 17)	294.53	281.11
Unsecured		
Working capital loans from banks**	1,000.00	-
Current maturities of deposits (refer note 17 and 66)	-	174.80
	2,790.88	**2,355.93**

* Working capital loans of Rs. 594.18 million (previous year: Rs. 1,050.02 million) are secured by way of first pari passu charge on inventories and trade receivables of the company, present and future and second pari passu charge on all the movable and immovable property of the Company, present and future. Further, working capital loans of Rs. 902.17 million (previous year: Rs. 850.00 million) are secured by way of lien on the bank deposits of Rs. 902.17 million (previous year: Rs. 850.00 million).

**Working capital loans of Rs. 1,000.00 million (previous year: Rs. Nil) have been availed against undated cheques amounting to Rs. 1,000.00 million.

22. Trade payables

(At amortised cost)

Rs. million

	As at 31 March 2025	As at 31 March 2024
- Total outstanding dues of micro enterprises and small enterprises	150.42	95.44
- Total outstanding dues of creditors other than micro enterprises and small enterprises	3,526.65	3,180.20
	3,677.07	**3,275.64**

Notes to the standalone financial statements for the year ended 31 March 2025

Trade payable includes Rs. 0.57 million (previous year: Rs. 0.10 million) due to related parties (refer note 36)

Trade payables ageing schedule as on 31 March 2025 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	140.74	9.65	0.03	-	-	**150.42**
(ii) Disputed dues – MSME	-	-	-	-	-	-	**-**
(iii) Others	579.90	2,228.38	559.57	85.99	16.54	56.27	**3,526.65**
(iv) Disputed dues - Others	-	-	-	-	-	-	**-**
	579.90	**2,369.12**	**569.22**	**86.02**	**16.54**	**56.27**	**3,677.07**

Trade payables ageing schedule as on 31 March 2024 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	93.66	1.78	0.00	-	-	**95.44**
(ii) Disputed dues – MSME	-	-	-	-	-	-	**-**
(iii) Others	535.62	1,644.60	759.53	72.87	84.63	82.95	**3,180.20**
(iv)Disputed dues - Others	-	-	-	-	-	-	-
	535.62	**1,738.26**	**761.31**	**72.87**	**84.63**	**82.95**	**3,275.64**

23. Other financial liabilities

(At amortised cost)

Rs. million

	As at 31 March 2025	As at 31 March 2024
Non-current:		
Financial guarantee*	18.40	27.18
Security deposits**	18.52	19.75
	36.92	**46.93**

*Guarantee given to bank on behalf of step down subsidiary - SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited).

Current:		
Interest accrued but not due on borrowings	13.66	40.69
Unclaimed dividends*	1.21	1.23
Unclaimed matured deposits and interest accrued thereon* (refer note 66)	-	1.83
Capital creditors	85.22	178.50
Security deposits**	129.79	111.59
Employee related payables	778.38	666.68
	1,008.26	**1,000.52**

*Not due for transfer to investor education and protection fund

**The security deposits have been received by the Company from customers/vendors in the normal course of business.

Notes to the standalone financial statements for the year ended 31 March 2025

24. Revenue from operations

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
Sale of products	31,320.77	29,083.22
Other operating revenues		
- sale of scrap	373.54	340.43
- export benefits*	92.62	100.63
- others	8.17	12.88
	31,795.10	**29,537.16**

*Export benefits covers the following:

Rs. million

	As at 31 March 2025	As at 31 March 2024
Remission of duties and taxes on export products (RoDTEP)	23.73	22.13
Duty draw backs	68.89	78.50
	92.62	**100.63**

Rs. million

	As at 31 March 2025	As at 31 March 2024
Timing of revenue recognition:		
Goods transferred at a point in time	31,795.10	29,537.16

Rs. million

	As at 31 March 2025	As at 31 March 2024
Contract balances		
Revenue received in advance (refer note 19)	71.53	81.39

Contract liabilities - Revenue received in advance

Rs. million

	As at 31 March 2025	As at 31 March 2024
Opening balance of contract liabilities	81.39	90.65
Less: Amount of revenue recognised against opening contract liabilities	1,077.92	871.03
Add: Addition in balance of contract liabilities for current year (net of refunds)	1,068.06	861.77
Closing balance of contract liabilities	**71.53**	**81.39**

The contract liabilities are settled during the normal course of business.

Reconciling the amount of sale of products in the statement of profit and loss with the contracted price

Rs. million

	As at 31 March 2025	As at 31 March 2024
Revenue from contract with customer as per the contract price	31,923.23	29,987.42
Adjustments made to contract price on account of :-		
Less: Discounts / price adjustments	602.46	904.20
Revenue from contract with customer	**31,320.77**	**29,083.22**

Performance obligation

The Company's performance obligation from sale of products is recognized upon transfer of control to customers.

Notes to the standalone financial statements for the year ended 31 March 2025

25. Other income

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
Interest income*		
- Bank deposits	764.46	620.36
- Others	12.49	11.26
Net gain on sale/fair valuation of current investment**	30.88	32.42
Income from corporate guarantee	8.78	3.79
Gain on sale/disposal of property, plant and equipment	7.96	-
Foreign exchange gain (net)	94.96	112.10
Provision for doubtful debts and advances written back (net)	6.72	-
Other non-operating income***	105.73	33.43
	1,031.98	**813.36**

*Represents income on underlying assets carried at amortised cost

**Includes Rs. nil million (previous year Rs. 0.98 million) on account of fair valuation of investments classified at FVTPL

***Includes insurance claim received of Rs. 48.50 million (previous year nil million).

26. Cost of material consumed

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
Cost of raw material and components consumed	11,510.26	10,179.88
Cost of packing material consumed	573.46	558.29
	12,083.72	**10,738.17**

27. (Increase) / decrease in inventories of finished goods , work-in-progress and stock-in-trade

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
Inventories at the end of the year		
Work-in-progress	1,085.61	923.72
Finished goods	1,590.16	1,406.14
Stock-in-trade	48.86	29.61
	2,724.63	**2,359.47**
Inventories at the beginning of the year		
Work-in-progress	923.72	993.46
Finished goods	1,406.14	1,281.86
Stock-in-trade	29.61	44.61
	2,359.47	**2,319.93**
(Increase) / decrease in inventories of finished goods, work-in-progress and stock-in-trade	**(365.16)**	**(39.54)**

Notes to the standalone financial statements for the year ended 31 March 2025

28. Employee benefits expense

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
Salaries and wages	4,227.75	3,905.45
Contribution to provident and other funds (refer note 35)	295.96	298.27
Staff welfare expenses	252.65	245.81
	4,776.36	**4,449.53**

29. Finance costs

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
Interest expense on borrowings	219.52	220.05
Interest expense on lease liabilities (refer note 38)	25.15	24.80
Interest expense on income tax	2.05	2.64
Other borrowing costs	1.43	4.09
	248.15	**251.58**

30. Depreciation and amortisation expense

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
- Depreciation on property , plant and equipment (refer note 3)	754.04	758.38
- Depreciation on right of use assets (refer note 6)	65.80	72.85
- Amortisation of intangible assets (refer note 5)	45.51	42.52
	865.35	**873.75**

31. Other expenses

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
Stores and spares consumed	2,461.09	2,313.13
Power and fuel	1,515.51	1,547.09
Job work charges	661.89	609.53
Freight outward expenses	427.87	402.28
Royalty	505.59	479.93
Rent (refer note 38)	30.80	20.36
Rates and taxes	23.38	12.58
Insurance	41.46	40.25

Notes to the standalone financial statements for the year ended 31 March 2025

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
Sub-contracting expenses	500.22	377.82
Repair and maintenance		
-Plant and machinery	260.55	198.99
-Buildings	115.85	90.69
-Others	27.82	27.82
Auditor's remuneration (refer note 32)	6.40	5.29
Directors' fees	7.40	9.60
Provision for doubtful debts and advances (net)	-	1.87
Loss on sale / retirement of fixed assets (net)	-	3.22
Bad debts and advances written off	0.40	1.89
Corporate social responsibilities expenses (refer note 50)	81.07	51.96
Travelling expenses	103.13	90.36
Legal and professional expenses	56.30	102.22
Miscellaneous expenses	853.38	825.42
	7,680.11	**7,212.29**

32. Auditor's remuneration
(excluding goods and service tax, as applicable)

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
As auditor:		
- Audit fee	2.10	1.80
- Limited review	2.70	2.40
- Other services	1.10	0.52
- Reimbursement of expenses	0.50	0.57
	6.40	**5.29**

33. Earnings per share (EPS)

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
Profit attributable to equity shareholders (Rs. million)	4,978.09	4,467.64
Weighted average number of equity shares (Nos. million)	44.05	44.05
Earning per share		
- Basic (Rs.)	113.01	101.42
- Diluted (Rs.)	113.01	101.42

Notes to the standalone financial statements for the year ended 31 March 2025

34. Research and development expenditure

The details of research and development expenditure incurred by the Company and included in the respective account heads are as under:

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
Capital expenditure	46.06	21.59
Revenue expenditure	243.59	226.85
	289.65	**248.44**

The details of revenue expenditure incurred on research and development is as under:

Rs. million

	Year ended March 31, 2025	Year ended 31 March 2024
Stores and spares consumed	68.66	56.72
Salaries and wages	133.96	127.54
Contribution to provident and other funds	11.16	11.11
Staff welfare expenses	0.15	1.29
Power and fuel	4.07	3.56
Repair and maintenance		
- Plant and machinery	15.42	15.18
- Buildings	0.39	0.52
Loss on sale/retirement of fixed assets (net)	0.04	0.03
Travelling expenses	2.98	2.55
Miscellaneous expenses	6.76	8.35
	243.59	**226.85**

35. Employee benefits

The Company has classified the various employee benefits as under :

i) Defined contribution plans

The Company has recognised the following amount in the statement of profit and loss:

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
Employers' contribution to superannuation fund	37.75	26.96
Employers' contribution to state insurance fund	23.21	30.43
	60.96	**57.39**

ii) Defined benefit plans - Gratuity

In accordance with Ind AS 19, actuarial valuation of defined benefit plans was done for Gratuity and details of the same are given below :

Rs. million

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Amount recognized in statement of Profit and loss A/c		
Current service cost	73.60	76.45
Net Interest cost on defined benefit/ liability	(19.44)	(3.83)
Total expense recognised in the Statement of Profit and loss	**54.16**	**72.62**

Notes to the standalone financial statements for the year ended 31 March 2025

Rs. million

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	1,153.13	1,114.92
Fair value of plan assets	1,484.22	1,386.75
Funded status [surplus / (deficit)]	331.09	271.83
Net asset / (liability) recognised in the Balance Sheet (refer note 11)	331.09	271.83
Change in defined benefit obligations (DBO) during the year		
Present value of defined benefit obligations at beginning of the year	1,114.92	1,110.64
Current service cost	73.60	76.45
Interest cost	79.64	82.32
Remeasurement of defined benefit obligations (Actuarial (gains)/losses)		
- Changes in demographic assumptions	0.07	0.23
- Changes in financial assumptions	(41.36)	(64.59)
- Experience variance	(20.58)	(27.72)
Benefits paid	(52.65)	(58.82)
Transfer in / (out)	(0.51)	(3.59)
Present value of DBO at the end of the year	**1,153.13**	**1,114.92**
Change in fair value of plan assets during the year		
Plan assets at beginning of the year	1,386.75	1,161.81
Expected return on plan assets	99.08	86.15
Contributions	50.00	200.00
Return on Plan assets excluding amount recognised in net interest expenses	1.04	(2.39)
Benefits paid	(52.65)	(58.82)
Plan assets at the end of the year	**1,484.22**	**1,386.75**
Actual return on plan assets	100.12	83.76
Amount recognised in other comprehensive income		
Actuarial (gains)/ losses		
- Changes in demographic assumptions	0.07	0.23
- Changes in financial assumptions	(41.36)	(64.59)
- Experience variance	(20.58)	(27.72)
(Return)/loss on plan assets, excluding amount recognized in net interest expense	(1.04)	2.39
	(62.91)	**(89.69)**

Rs. million

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Actuarial assumptions for Gratuity		
Discount rate	6.65%	7.15%
Expected return on plan assets	7.22%	7.21%
Salary escalation	8.00%	9.00%
Attrition	5 /10 %, p.a.	5 /10 %, p.a.
Mortality table used	IAL 2012-14	IAL 2012-14

Estimate of the future salary increase is based on factors such as inflation, seniority, promotions, demand and supply in employment market.

Notes to the standalone financial statements for the year ended 31 March 2025

Rs. million

Particulars		Year ended 31 March 2025		Year ended 31 March 2024	
		Impact on Liability		Impact on Liability	
Sensitivity Analysis for significant actuarial assumptions		**Increase**	**Decrease**	**Increase**	**Decrease**
Discount rate	+100 basis points		78.56		80.02
	-100 basis points	88.68		90.74	
Salary growth rate	+100 basis points	86.65		88.24	
	-100 basis points		78.32		79.43
Attrition rate	+100 basis points		15.03		20.82
	-100 basis points	20.01		28.08	
Mortality rate	+100 basis points		0.22		0.30
	-100 basis points	0.22		0.30	

The sensitivity analysis has been determined based on possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis present above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be co-related.

Risk factors in actuarial assumptions

Interest rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Liquidity risk: This is the risk that the Company is not able to meet the short term gratuity payouts. This may arise due to non availability of enough cash/ cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary escalation risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary use to determine the present value of obligation will have a bearing on the plan's liability.

Demographic risk: The Company has used certain mortality and attrition assumption in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Asset liability mismatching or market risk: The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/ fall in interest rate.

Investment risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

The following payments are expected future cash flows to the defined benefit plan (undiscounted in future years):

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
Year 1	126.72	117.52
Year 2 - 5 years	473.20	424.35
Year 6 - 10 years	558.90	574.42
More than 10 years	879.27	1033.32

Notes to the standalone financial statements for the year ended 31 March 2025

Regulatory framework/ Governance / Benefits under the plan:

The gratuity benefit is a post employment benefit. It is calculated at the terminal salary (Basic+VDA) at the time of separation of the employee according to the provisions of Payment of Gratuity Act, 1972. However, there is no restriction on the maximum amount of gratuity payable. The plan assets are managed by independent Board of Trustees, appointed by the company. The trust is a separate legal entity and is recognized by the Commissioner of Income Tax, under the provisions of Schedule IV the the Income Tax Act, 1961.

The Board of trustees manages the entire plan assets through Life Insurance Corporation of India, SBI Life Insurance, Bajaj Allianz Life Insurance Company , HDFC Life Insurance Co. and ICICI Prudential Life Insurance Under this policy, the eligible employees are entitled to receive gratuity payments upon their separation in lumpsum after deduction of necessary taxes. Total investment as on 31 March 2025 is Rs 1,484.22 million, Rs 817.92 million in traditional and Rs 666.30 million in ULIP plan. The fund managers do not disclose the composition of their portfolio investment in case of traditional plan, accordingly break-down of plan assets by investment type has not been disclosed, portfolio investment in case of ULIP plan are as under:

Particulars	HDFC Life Insurance Co	ICICI Prudential Life Insurance
Debt Fund	72.15 %	77.72%
Equity Fund	22.25%	16.40%
Cash	5.60%	5.88%

Asset Liability Matching Strategies

The Company has purchased insurance policy, which is a cash accumulation plan. Interest on the fund balances during the year is accumulated at the interest rate declared by insurance company at the end of the financial year. Gratuity claims are settled by the insurance company out of the fund, thus mitigating any liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of the liabilities. Thus, the Company is exposed to movement in interest rate.

Effect of plan on Entity's future cash flows

The company has purchased insurance policies to provide for payment of gratuity to the employees. The contribution to the funds are made on a quarterly basis based on estimated shortfall in plan assets from liabilities. Expected contribution during the next annual reporting period is Nil (previous year: Nil) Maturity profile of the defined benefit obligation based on weighted average duration is 10 Years.

iii) Compensated absences

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
Present value of DBO	484.36	449.12
Funded status [surplus / (deficit)]	(484.36)	(449.12)
Provision for compensated absences		
Non-current (refer note 18)	324.60	299.84
Current (refer note 18)	159.76	149.28

iv) Defined benefit plans - Provident and Superannuation fund

The Company has recognised the following amount in the statement of profit and loss:

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
Employers' contribution to provident fund	179.34	177.09
	179.34	**177.09**

Notes to the standalone financial statements for the year ended 31 March 2025

v) Provident fund

In respect of certain employees, provident fund contributions are made to trust administered by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Fund and Miscellaneous Provisions Act,1952 and shortfall, if any, shall be made good by the Company. The rate is determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Company has been higher in earlier years. As at 31 March 2025, the Company has surplus in the trust administered by the Company.

36. Related party disclosure

As per Indian Accounting Standard – 24 the Company's related parties and transactions with them are disclosed below :

A. List of related parties:

Subsidiary Company	SPR Engenious Limited
Step-down Subsidiary Companies	SPR EMF Innovations Private Limited
	SPR Takahata Precision India Private Limited (w.e.f. 16 October 2023)
	SPR TGPEL Precision Engineering Limited (w.e.f. 24 December 2024) (formerly TGPEL Precision Engineering Limited)
Key management personnel	Shri Pradeep Dinodia, Chairman
	Shri Hari Shanker Bhartia, Director
	Smt Meenakshi Dass, Director
	Shri Inderdeep Singh, Director -(ceased to be director w.e.f. close of business hours of 28 July 2024)
	Shri Krishnakumar Srinivasan, Managing Director & CEO
	Shri Luv Deepak Shriram, Whole Time Director
	Smt. Ferida Chopra, Director
	Shri Klaus Semke, Director
	Shri Alexandru Vladoi, (Alternate Director to Shri Klaus Semke)
	Shri Yasunori Maekawa, Director (w.e.f 13 May 2024)
	Shri Shigeto Muno (Alternative Director of Yasunori Maekawa)
	Shri Shinichi Unno, Independent Director
	Smt. Tina Trikha, Independent Director (w.e.f 13 May 2024)
Close members of the family of key management personnel	
Shri Krishnakumar Srinivasan	Smt. Sumati Krishnakumar
Shri Luv Deepak Shriram	Smt. Meenakshi Dass
	Shri Kush Deepak Shriram
	Smt Nandishi Shriram
	Smt. Arati Shriram
Entity over which , Key management personnel and their Close members of the family has significant influence or control	Shriram Veritech Solutions Pvt. Ltd.
	S.R. Dinodia & Co. LLP
	Manisha Commercial Pvt. Ltd
	Deepak C. Shriram & Sons HUF
	Sera Com Pvt. Ltd.
	Sarva Commercial Pvt. Ltd.
	Shabnam Commercial Pvt. Ltd.
	Pradeep Dinodia HUF
	Luv Arati and Associates (AOP)
	Deepak Shriram Family Benefit Trust
	NAK Benefit Trust
Post-employment benefit plan entity	Shriram Pistons & Rings Ltd Gratuity Fund Trust
	Shriram Pistons & Rings Ltd Superannuation Fund Trust
	Shriram Pistons & Rings Ltd. Officers' Provident Fund Trust

Notes to the standalone financial statements for the year ended 31 March 2025

B. Related party transactions

(i) Transactions during the year

Rs. million

Particulars	Subsidiaries		Entity over which, Key management personnel and their Close members of the family has significant influence or control		Key management personnel (KMP)		Close members of the family of key management personnel		Post-employment benefit plan entity		Total	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Remuneration												
Short-term employees benefit	-	-	-	-	199.27	155.58	-	-	-	-	199.27	155.58
Post- employment benefit	-	-	-	-	2.67	2.48	-	-	-	-	2.67	2.48
Other long-term employees benefit	-	-	-	-	-	-	-	-	-	-	-	
Commission to directors	-	-	-	-	75.54	68.42	-	-	-	-	75.54	68.42
Legal expenses	-	-	1.44	1.44	-	-	-	-	-	-	1.44	1.44
Rent	-	-	1.95	1.85	1.44	1.44	0.96	0.96	-	-	4.35	4.25
Interest on deposits	-	-	0.17	0.35	-	0.98	0.40	1.75	-	-	0.57	3.08
Directors sitting fees	-	-	-	-	7.40	9.60	-	-	-	-	7.40	9.60
Dividend paid	-	-	182.52	141.84	16.80	12.60	0.02	0.01	-	-	199.34	154.45
Contribution paid	-	-	-	-	-	-	-	-	115.79	261.35	115.79	261.35
Deposits taken during the year	-	-	-	-	-	-	-	-	-	-	-	-
Deposits paid during the year	-	-	2.50	2.00	-	15.82	8.28	15.50	-	-	10.78	33.32
Purchase of material / stores	-	-	9.03	10.52	-	-	-	-	-	-	9.03	10.52
Investment	2,500.00	2,300.00	-	-	-	-	-	-	-	-	2,500.00	2,300.00
Loan given during year (refer note-iv)	22.50	168.40	-	-	150.00	-	-	-	-	-	172.50	168.40
Loan repaid during year	22.50	168.40	-	-	-	-	-	-	-	-	22.50	168.40
Interest received on inter-corporate loan	0.01	1.75	-	-	-	-	-	-	-	-	0.01	1.75
Amount received for providing resources and facilities	7.14	5.14	-	-	-	-	-	-	-	-	7.14	5.14
Sale of Property, plant and equipment	28.74	-	-	-	-	-	-	-	-	-	28.74	-
Commission income	0.81	0.03	-	-	-	-	-	-	-	-	0.81	0.03
Lease rent	0.85	0.26	-	-	-	-	-	-	-	-	0.85	0.26
Recovery of expenditure	3.22	5.99	-	-	-	-	-	-	-	-	3.22	5.99
Corporate guarantee (refer note-iii)	-	1,100.00	-	-	-	-	-	-	-	-	-	1,100.00
Sale of material	0.08	5.60	-	-	-	-	-	-	-	-	0.08	5.60
Sales & Purchase of Goods & Services	1.11	-	-	-	-	-	-	-	-	-	1.11	-
Amount received for providing Employees on Secondment	5.07	-	-	-	-	-	-	-	-	-	5.07	-

Notes to the standalone financial statements for the year ended 31 March 2025

(ii) Balances due from/to the related parties

Rs. million

Particulars	Subsidiaries		Entity over which, Key management personnel and their Close members of the family has significant influence or control		Key management personnel (KMP)		Close members of the family of key management personnel		Post-employment defined benefit plan entity		Total	
	31 March 2025	31 March 2025	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Deposits accepted	-	-	-	2.50	-	-	-	8.28	-	-	-	10.78
Interest accrued but not due	-	-	-	0.55	-	-	-	1.22	-	-	-	1.77
Amount recoverable	3.61	4.09	-	-	150.16	-	-	-	-	-	153.77	4.10
Amount payable	-	-	0.57	0.10	187.48	167.99	-	-	15.95	14.46	204.01	182.56

Note :

i) The deposit from related parties have been accepted on same rate of interest as applicable for other unrelated parties.

ii) The amount outstanding from related parties are unsecured and will be settled in cash.

iii) With respect to guarantees given, refer note 54

iv) The purpose of this loan to subsidiary is to meet the funding requirements for future business opportunities in the areas related to the automotive segment.

v) The transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions.

vi) With respect to amount recoverable of Rs. 150.00 million (previous year: nil million), refer note 8

37. Information pursuant to clause 3 (vii) (b) of the Companies (Auditor's Report) Order, 2020 in respect of disputed dues, not deposited as at 31 March 2025, pending with various authorities:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates (various years covering the period)	Amount Involved* (Rs. million)	Amount Unpaid (Rs. million)	Amount Paid (Rs. million)
Income Tax Act, 1961	Income tax	Appellate authority up to Commissioner (appeal) level	2003-04, 2004-05, 2019-20, 2020-21, 2022-23	173.38	110.27	63.11
Finance Act, 1994	Service Tax	Custom, Excise & Service Tax Appellate Tribunal (CESTAT)	2012-13, 2013-14, 2014-15, 2015-16	20.80	20.29	0.51
Central Sales Tax Act, 1956	Sales Tax	Appellate Tribunal	2015-16	1.82	1.41	0.41
Sales Tax Laws	Sales Tax / Value Added Tax	Appellate Tribunal	2010-11, 2011-12, 2012-13, 2015-16, 2016-17	57.57	37.31	20.25
Goods & Service Tax Act 2017	Goods & Services Tax	Appellate authority up to Commissioner (appeal) level	2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23	122.03	121.29	0.74

* amount as per demand orders including interest and penalty wherever quantified in the order.

Notes to the standalone financial statements for the year ended 31 March 2025

38. Leases :

The movement in lease liabilities during the year ended 31 March 2025 is as follows:

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning	268.88	291.90
Additions	38.36	46.22
Deletions	-	(6.41)
Finance cost accrued during the period	25.15	24.80
Payment of lease liabilities	(83.13)	(87.63)
Balance at the end	**249.26**	**268.88**

The break-up of current and non-current lease liabilities as of 31 March 2025 is as follows:

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
Current	55.20	54.36
Non-current	194.06	214.52
Total	**249.26**	**268.88**

The details of contractual maturities of lease liabilities on an undiscounted basis:

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
Less than one year	75.43	76.38
One to five years	215.16	217.36
More than five years	19.75	46.81
Total	**310.34**	**340.55**

The following are the amounts recognised in Statement of Profit or Loss:

Rs. million

	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation expense of right of use assets	65.80	72.85
Interest expenses on lease liabilities	25.15	24.80
Expense relating to other than non-current leases (included in other expenses) #	30.80	20.36
Total amount recognised in Statement of Profit or Loss	**121.75**	**118.01**

[#] Lease payments not recognised as a liability

The Company has elected not to recognise a lease liability for current leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The Company

Notes to the standalone financial statements for the year ended 31 March 2025

does not have any liability to make variable lease payments for the right-to-use the underlying asset recognised in the financial statements.

Total cash outflow for short-term leases for the year ended 31 March 2025 is Rs. 30.80 million (previous year Rs. 20.36 million).

The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Rs. million

Particulars	Right of use assets taken under lease (nos.)	Range of remaining term (years)	Average remaining lease term (years)
Building			
- 31 March 2025	39	1 to 9	7
- 31 March 2024	39	1 to 9	7
Land			
- 31 March 2025	13	33 to 82	48
- 31 March 2024	13	34 to 83	49
Car			
- 31 March 2025	58	4 to 5	4
- 31 March 2024	58	4 to 5	4

The Company does not face a significant liquidity risk with regard to its lease liabilities to meet the obligations related to lease liabilities as and when they fall due.

39. Segment reporting

The Company is engaged in a single segment i.e. the business of "automotive components" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the Company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

Geographical information in respect of sale of products from customers is given below:

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
Domestic Sale	26,480.85	23,901.33
Export Sale	4,839.92	5,181.89
	31,320.77	**29,083.22**

Notes:

a) There are no non-current assets domiciled outside India.

b) During the financial year ended 31 March 2025, revenue from one customer amounting to Rs. 4,575.25 million (previous year Rs. 3,798.31 million) represents 10% or more of the Company's' revenue from operations.

Notes to the standalone financial statements for the year ended 31 March 2025

40. Micro, Small and Medium enterprises as defined under the MSMED Act

The status of vendors under Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is based on certificate submitted by vendors about their coverage under the provisions of MSMED Act, 2006.

Rs. million

	Year ended 31 March 2025	Year ended 31 March 2024
Amount remaining unpaid to suppliers under MSMED Act as at the end of year		
- Principal amount *	176.10	102.95
- Interest due thereon	-	-
Amount of payments made to suppliers beyond the appointed day during the year		
- Principal amount	7.40	2.14
- Interest actually paid under section 16 of MSMED	-	-
Amount of interest due and payable for delay in payment (which has been paid but beyond the appointed day during the year) but without adding interest under MSMED	-	-
Interest accrued and remaining unpaid at the end of the year		
- Interest accrued during the year	0.04	0.01
- Interest remaining unpaid as at the end of the year	0.05	0.09
Interest remaining disallowable as deductible expenditure under the Income-tax Act, 1961	0.04	0.01

*Includes capital creditors Rs 15.63 million (previous year 0.60 million) and security deposits of Rs.10.05 million (previous year Rs. 6.91 million)

41. Contingent liabilities

Rs. million

	As at 31 March 2025	As at 31 March 2024
Claims against the Company disputed and not acknowledged as debts		
- Sales tax*	59.39	94.56
- Service tax*	20.80	19.79
- Goods & Services Tax*	122.03	10.44
- Income tax*	1.43	1.43
- Employees' State Insurance#	28.83	28.83
- Labour matters#	323.75	298.02
- Commercial matters	26.71	25.84

All the above matters are subject to legal proceedings in the ordinary course of business. In the opinion of the management, the legal proceedings, when ultimately concluded, will not have a material effect on operations or the financial position of the Company.

* refer note 37

this pertains to the legal proceedings related to labour cases.

Notes to the standalone financial statements for the year ended 31 March 2025

42. Capital and other commitments

Rs. million

		As at 31 March 2025	As at 31 March 2024
i)	Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	137.08	232.71

ii) Outstanding export obligation required to be fulfilled under the EPCG scheme against import of some machines/ capital equipments is as under:

a) average export obligation of Rs 3,407.61 million every year (previous year Rs. 2,618.30 million every year) to be fulfilled till the time specific export obligation is discharged and

b) specific export obligation of Rs. 179.95 million (previous year Rs. 67.30 million) to be fulfilled over a period of maximum up to 5 years. Customs duty saved against outstanding export obligation is Rs. 24.34 million (previous year Rs.11.13 million).

The Company has other commitments, for purchase / sales orders which are issued after considering requirements as per operating cycle for purchase / sale of goods, employee benefits including union agreements in normal course of business. The Company does not have any other long term commitments or material non-cancellable contractual commitments, which may have a material impact on the financial statements.

43. Investment in subsidiary

i) The Company has made investment in equity shares of the following subsidiary (intermediary) for further investment in equity shares of ultimate beneficiary as under:

During the year ended 31 March 2025 (Rs. million)

Name of the intermediary	Date of investment into intermediary	Amount of investment in intermediary	Name of the ultimate beneficiary	Date of investment by intermediary into ultimate beneficiary	Amount of investment by intermediary into ultimate beneficiary
SPR Engenious Limited			SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	12 April 2024	(0.07)*
				19 April 2024	(2.05)*
	19 December 2024	2,176.23	SPR TGPEL Precision Engineering Limited (formerly TGPEL Precision Engineering Limited)	24 December 2024	2,176.23

*Represents reduction in investment value of SPR Engenious Limited in SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) on account of amount received from selling shareholders of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) towards post-closing adjustments in terms of Share Purchase Agreement as under:

-Rs. 0.07million from Takahata Precision Co. Limited, Japan

-Rs. 2.05 million from Takahata Precision Pte. Limited, Singapore

Notes to the standalone financial statements for the year ended 31 March 2025

During the year ended 31 March 2024

Rs. million

Name of the intermediary	Date of investment into intermediary	Amount of investment in intermediary	Name of the ultimate beneficiary	Date of investment by intermediary into ultimate beneficiary	Amount of investment by intermediary into ultimate beneficiary
SPR Engenious Limited	10 October 2023	675.09	SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	16 October 2023	675.09
	05 February 2024	700.00	SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	01 February 2024	(15.12)*
				01 March 2024	700.00

*Rs. 55.0 million were held back in financial year 2022-23 to be paid as per terms of the Share Purchase Subscription Agreement. On 01 February 2024, Rs. 39.88 million paid to sellers after adjustment of Rs. 15.12 million on account of closing adjustments as per terms of Share Purchase Subscription Agreement. This has resulted into reduction ininvestment of SPR Engenious Limited in SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited) by Rs. 15.12 million.

ii) With regard to the investments made during the financial year 2023-24 and financial year 2024-25, the Company has complied with the relevant provisions of the applicable laws.

iii) No fund has been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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.

44. Fair value measurement

i) The carrying value and fair value of financial instruments by categories as of 31 March 2025 are as under:

Rs. million

Particulars	Financial assets/ (financial liabilities) at fair value through profit or loss (FVTPL)	Total carrying value	Total fair value
Financial assets/(financial liabilities)			
Investment in mutual fund	-	-	-
Investments in other equity instruments	100.00	100.00	100.00
Bank deposits	960.79	960.79	960.79
Security deposits	201.19	201.19	201.19
Derivatives instruments*			
- Cross currency swap	31.92	31.92	31.92
- Forward contracts	9.86	9.86	9.86
Total	**1,303.76**	**1,303.76**	**1,303.76**

Notes to the standalone financial statements for the year ended 31 March 2025

The carrying value and fair value of financial instruments by categories as of 31 March 2024 are as under:

Rs. million

Particulars	Financial assets/ (financial liabilities) at fair value through profit or loss (FVTPL)	Total carrying value	Total fair value
Financial assets/(financial liabilities)			
Investment in mutual fund	373.07	373.07	373.07
Investments in other equity instruments	48.00	48.00	48.00
Bank deposits	1,350.86	1,350.86	1,350.86
Security deposits	193.19	193.19	193.19
Derivatives instruments*			
- Cross currency swap	26.18	26.18	26.18
- Forward contracts	1.79	1.79	1.79
Total	**1,993.09**	**1,993.09**	**1,993.09**

*Change in fair value is recognised in other comprehensive income.

ii) Fair value hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3.

Level 1 - This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - This level includes financial assets and liabilities, measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2025

Rs. million

Particulars	As at 31 March 2025	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3#
Financial assets/(liabilities)				
Investment in mutual fund*	-	-	-	-
Investments in other equity instruments**	100.00	-	-	100.00
Bank deposits	960.79	960.79	-	-
Security deposits***	201.19	-	-	201.19
Derivatives instruments****				
- Cross currency swap	31.92	-	31.92	-
- Forward contracts	9.86	-	9.86	-
Total	**1,303.76**	**960.79**	**41.78**	**301.19**

Notes to the standalone financial statements for the year ended 31 March 2025

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2024

Rs. million

Particulars	As at 31 March 2024	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3#
Financial assets/(liabilities)				
Investment in mutual fund*	373.07	-	373.07	-
Investments in other equity instruments**	48.00	-	-	48.00
Bank deposits	1,350.86	1,350.86	-	-
Security deposits***	193.19	-	-	193.19
Derivatives instruments****				
- Cross Currency Swap	26.18	-	26.18	-
- Forward contracts	1.79	-	1.79	-
Total	**1,993.09**	**1,350.86**	**401.04**	**241.19**

There is no transfer between the fair value measurement hierarchy amongst level 1, level 2 and level 3 during the year ended 31 March 2024 and 31 March 2025.

* The fair values are based on net asset value

** This is the transaction price as at which the investment was made. In accordance with the Share Holder's Agreement ('SHA') executed between the Company and Lalganj Power Private Limited, Fourth Partner Solar Power Private Limited (investees), the holding company of the investees or any of their nominees have an obligation to buy-back the aforementioned equity shares held by the company for an amount, at the price at which the shares were acquired by the Company.

***The fair value is based on the valuation model which considers the present value of expected payment, discounted using a risk-adjusted discount rate. The own non-performance risk was assessed to be insignificant.

****The fair values are based on exchange rates as at the reporting date.

During the year, there has not been any additions / deletions in level 3 investment.

iii) Financial assets and financial liabilities that are measured at amortised cost are :

Rs. million

Particulars	Carrying amount		
	As at 31 March 2025		As at 31 March 2024
Financial assets			
Trade and other receivables	5,127.15		4,418.82
Cash and cash equivalents	277.91		306.57
Other bank balances	9,410.62		7,500.50
Loans	150.00		-
Other financial assets	439.22		363.46
Financial liabilities			
Borrowings	3,558.29		3,408.16
Trade payables	3,677.07		3,275.64
Lease Liabilities	249.26		268.88
Other financial liabilities	1,045.18		1,047.45
The carrying value of above financial assets and financial liabilities approximate its fair value.			

Notes to the standalone financial statements for the year ended 31 March 2025

45. Capital management

The Company's objective for managing capital is to ensure as under:

i) Maintain company's ability to continue as a going concern

ii) Maintain a strong credit rating and debt equity and capital gearing ratio in order to support business and maximize the shareholders' value.

iii) Maintain an optimal capital structure.

iv) Compliance of financial covenants under the borrowing facilities.

The Company manages its capital structure keeping in view of:

i) Compliance of financial covenants under the borrowing facilities

ii) Changes in economic conditions

In order to achieve this overall objective of capital management, amongst other things, the Company aims to ensure that it meets financial covenants attached to the borrowings facilities defining capital structure requirements, where breach in meeting the financial covenants may permit the lender to call the borrowings.

There have been no breach in the financial covenants of any borrowing facility in the current period.

There is no change in the objectives, policies or processes for managing capital over previous year.

To maintain the capital structure, the Company may vary the dividend payment to shareholders. For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company and net debt includes total liabilities, comprising interest bearing loans and borrowings, excluding any dues to subsidiaries or group companies less cash and cash equivalents.

The Company monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts adjusted with available cash and bank balances divided by total capital (equity attributable to owners of the Company).

The funding requirement of the Company is primarily met through internal accruals, leading to a negative net debt position as under:

Rs. million

	As at 31 March 2025	As at 31 March 2024
Borrowings (refer note 17 and 21) (including current maturities	3,558.29	3,408.16
Less: cash and bank balances (refer note 9* and 14)	10,649.33	9,157.93
Net debt	**Nil**	**Nil**

*represents amount of bank deposits more than 12 months.

46. Financial risk management

The Company's principal financial liabilities, other than derivatives, comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents and loans that it derives directly from its operations. The Company also holds FVTPL current investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk, liquidity risk, commodity price risk and other price risk. The Company's senior management oversees the management of these risks under appropriate policies and procedures.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risks, foreign exchange risk and interest rate risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL current investments and derivative financial instruments.

Notes to the standalone financial statements for the year ended 31 March 2025

a) Foreign exchange risk

The Company is exposed to foreign exchange risk through its sales and purchases from overseas in foreign currencies mainly in USD, EURO, JPY and CNY. The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the company's operations may be adversely affected as the rupee appreciates/ depreciates against these currencies.

Sensitivity

Each percentage point change in the foreign exchange rates has an impact on profit before tax / total equity as follows:

Rs. million

	Profit before tax		Total equity	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Exchange rate - increase by 1%	(2.60)	(0.97)	(1.95)	(0.73)
Exchange rate - decrease by 1%	2.60	0.97	1.95	0.73

The Company's foreign currency risk from financial instruments are as unde

(Foreign currency million)

Particulars	Currency	As at 31 March 2025			As at 31 March 2024		
		Total	Hedged	Net	Total	Hedged	Net
Trade and other receivables	USD	10.97	7.96	3.01	9.44	7.43	2.01
	EUR	3.57	3.57	-	5.50	3.93	1.57
	JPY	8.92	-	8.92	14.20	0.75	13.45
	GBP	0.15	0.13	0.02	0.24	-	0.24
Trade payables	USD	1.59	-	1.59	0.73	-	0.73
	EUR	0.13	-	0.13	1.17	-	1.17
	CNY	2.97	-	2.97	1.89	-	1.89
	JPY	601.50	-	601.50	453.91	-	453.91
	GBP	0.01	-	0.01	-	-	-
Capital creditors	JPY	-	-	-	145.68	145.68	-
Borrowings	USD	4.93	4.93	-	6.45	6.45	-

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the Company enters into cross currency interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

The Company is not exposed to any significant /material interest rate risk.

Notes to the standalone financial statements for the year ended 31 March 2025

Sensitivity

Variable interest rate loan are exposed to interest rate risk, impact on profit before tax / total equity may be as follows:

Rs. million

	Profit before tax		Total equity	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Interest rate - increase by 0.50%	(17.79)	(17.04)	(13.31)	(12.75)
Interest rate - decrease by 0.50%	17.79	17.04	13.31	12.75

ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Credit risk is managed by company's established policy, procedures and control relating to customer credit risk management.

Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants credit terms in the normal course of business. The Company uses expected credit loss model to assess the impairment loss and makes an allowance for doubtful debts using expected credit loss model on case to case basis.

Movement in the expected credit loss allowance

Rs. million

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Balance at beginning of the year	32.41	32.07
Add: Provided / (reversed) during the year	(6.20)	0.34
Balance at the end of the year	**26.21**	**32.41**

The ageing analysis of trade receivables (net) before adjustment of expected credit loss provision of Rs. 26.21 million (31 March 2024: Rs. 32.41 million) as of the reporting date is as follows:

Age Bracket	Not due	Less than 6 months	6 month to 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2025							
Trade receivable (gross)	4,701.16	425.16	5.15	3.94	2.05	15.90	5,153.36
Less: Allowance for expected credit loss	-	2.99	1.33	3.94	2.05	15.90	26.21
Trade receivable (net)	4,701.16	422.17	3.82	-	-	-	5,127.15
Expected credit loss %	**-**	**0.70%**	**25.86%**	**100.00%**	**100.00%**	**100.00%**	**0.51%**
As at 31 March 2024							
Trade receivable (gross)	3,961.67	454.07	9.63	6.38	3.91	15.57	4,451.23
Less: Allowance for expected credit loss	-	4.68	1.87	6.38	3.91	15.57	32.41
Trade receivable (net)	3,961.67	449.39	7.76	-	-	-	4,418.82
Expected credit loss %	**-**	**1.03%**	**19.42%**	**100.00%**	**100.00%**	**100.00%**	**0.73%**

iii) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans. Liquidity risk is managed by company's established policy and procedures made under liquidity risk management framework. The Company manages liquidity risk by maintaining adequate reserves,

Notes to the standalone financial statements for the year ended 31 March 2025

banking facilities, and reserve borrowing facilites,by continuously forecast and actual cash flows, and by matching the maturity profile of financial assets and liabilities.

The financial assets and liabilities have been appropriately disclosed in financial statements as current and non current portion. The maturity period of non current financial assets and financial liabilities ranges between 1 to 5 years except lease liabilities where period may vary as per respective lease agreements.

Rs. million

	As at 31 March 2025	As at 31 March 2024
On demand		
- Borrowings	2,496.35	1,900.02
Less than 1 year		
- Borrowings	294.53	455.91
-Trade payables	3,677.07	3,275.64
-Lease liabilities	55.20	54.36
-Other financial liabilities	1,008.26	1,000.52
More than 1 year		
- Borrowings	767.41	1,052.23
-Lease liabilities	194.06	214.52
-Other financial liabilities	36.92	46.93
Details of undrawn facilities of the Company from banks and financial institutions (fund based as well as non fund based):		
Total sanctioned working capital limits from Banks	6,310.00	4,350.00
Utilized working capital limit	2,961.81	2,489.05
Unutilized working capital limit	3,348.19	1,860.95

iv) Commodity risk

Commodity price risk is the financial risk on the Company's profitability upon fluctuations in the prices of commodities since they are primarily driven by external market forces. Sharp fluctuations in commodity prices can affect production costs, product pricing and earnings. This price volatility makes it imperative for an entity to manage the impact of commodity price fluctuations across its value chain to effectively manage its financial performance and profitability. To mitigate these risks, the company employs multiple levers, each chosen based on a cost benefit analysis and the extent of exposure to commodity price fluctuations. These include assessing the feasibility of passing any adverse fluctuations onto customers through price increases, continuously engaging in cost optimisation initiatives and process improvement exercises. The Company also explores options such as localizing imports/ implementing global sourcing strategies to ensure most cost effective sourcing. Based on the assessment by the Company and after factoring the ability to optimise costs and pass on prices to customers, no individual commodity is expected to have a significant adverse impact on the financial performance/profitability beyond its materiality threshold approved by the Board.

v) Other price risks

The Company has deployed its surplus funds into various financial instruments including mutual funds. The Company is exposed to NAV (net asset value) price risks arising from investments in these funds. The value of these investments is impacted by movements in interest rates, liquidity and credit quality of underlying securities.

47. Hedge accounting

i) Forwards contracts

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place.

Notes to the standalone financial statements for the year ended 31 March 2025

Details of forward foreign currency contracts outstanding at the end of reporting period are as under:

(Foreign currency million)

Outstanding contracts	Currency	As at 31 March 2025	As at 31 March 2024
Maturing not later than one month	USD/INR	2.24	3.03
	EUR/INR	1.05	1.68
	EUR/USD	0.35	0.15
	JPY/INR	-	146.43
	JPY/USD	102.85	32.81
	GBP/INR	0.06	-
Maturing later than one month and not later than three months	USD/INR	4.55	4.41
	EUR/INR	1.58	2.26
	EUR/USD	1.03	0.41
	JPY/USD	200.00	225.00
	GBP/USD	0.07	0.08
Maturing later than three month and not later than one year	USD/INR	1.17	-
	EUR/INR	1.69	-
	EUR/USD	0.24	-
	JPY/USD	25.00	100.00

The Company has designated foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The related hedge transactions for balance lying in cash flow hedging reserve are expected to occur and reclassified in the statement of profit or loss within 6 months.

Hedge effectiveness is determined at the inception of the hedge relationship. To ensure that an economic relationship exists between the hedged item and hedging instrument, the Company matches the critical terms of the hedged items and hedging instruments.

ii) Reconciliation of cash flow hedge reserve are as under:

Rs. million

Particulars	As at 31 March 2025	As at 31 March 2024
Assets /(liability)		
Balance at the beginning of the year	(1.00)	0.33
Gain / (loss) recognised in other comprehensive income during the year	10.20	(1.78)
Tax impact on above	(2.57)	0.45
Balance at the end of the year	**6.63**	**(1.00)**

48. The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.

49. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund (IEPF) by the Company during the year.

Notes to the standalone financial statements for the year ended 31 March 2025

50. Expenditure on corporate social responsibility (CSR)

Rs. million

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
(i) amount required to be spent by the Company during the year	81.07	51.96
(ii) amount spent during the year: a) construction/acquisition of any asset b) on purposes other than (a) above	Nil 81.07*	Nil 51.96*
(iii) shortfall at the end of the year	-	-
(iv) total of previous years shortfall	-	-
(v) reason for shortfall	NA	NA
(vi)details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA
*Includes Rs.8.86 million on ongoing Projects transferred to Unspent CSR account on 30 April 2025. ** Includes Rs.8.63 million on ongoing Projects transferred to Unspent CSR account on 30 April 2024.		

(vii) The Company has taken up CSR projects/programmes/activities in the following areas:

(a) Education
(b) Health Care
(c) Sanitation
(d) Environment preservation
(e) Other areas as approved by the CSR Committee/Board

The movement in the unspent CSR A/c is as under:

Rs. million

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Opening balance of unspent CSR A/c	10.60	8.04
Add: Addition during the year	8.86	8.63
Less: Utilisation during the year	8.06	6.07
Closing balance of unspent CSR A/c	**11.40**	**10.60**

51. Summary of quarterly statements to banks

As disclosed in note no. 21 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 50.00 million by working capital consortium comprising of IDBI Bank (Lead Bank) , State Bank of India, Axis Bank, HDFC Bank, Citi Bank, HSBC Bank, DBS Bank and ICICI Bank, based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with the banks and such returns/ statements are in agreement with the books of account of the Company for the respective periods which were subject to

Notes to the standalone financial statements for the year ended 31 March 2025

audit/review. Below table represents the summary of reconciliation of the quarterly statements filed by the Company with the banks:

Quarter	Name of Banks	Working capital limit	Nature of current assets offered as security	Amount as reported as per statements (A)	Amount as per books of accounts (B)	Differences (A) - (B) (refer note below)
March 2024	Working Capital Consortium Led by IDBI Bank	3,500.00	Inventories	3,536.21	3,536.21	-
			Trade receivables	4,418.82	4,418.82	-
			Trade payables*	2,291.80	2,291.80	-
June 2024	Working Capital Consortium Led by IDBI Bank	3,500.00	Inventories	3,592.53	3,592.53	-
			Trade receivables	4,402.51	4,402.51	-
			Trade payables*	1,983.98	1,983.98	-
September 2024	Working Capital Consortium Led by IDBI Bank	3,500.00	Inventories	4,020.67	4,020.67	-
			Trade receivables	4,689.38	4,689.38	-
			Trade payables*	2,073.25	2,073.25	-
December 2024	Working Capital Consortium Led by IDBI Bank	4,000.00	Inventories	4,184.97	4,184.97	-
			Trade receivables	4,420.33	4,420.33	-
			Trade payables*	2,140.19	2,140.19	-

The Company is yet to file statement for the quarter ended 31 March 2025 with the banks.

* Trade payable represents outstanding against goods purchased.

52. Additional regulatory information

Particulars	Unit	Numerator	Denominator	Year ended 31 March 2025	Year ended 31 March 2024	Variances (%)
Current ratio	Times	Total current assets	Total current liabilities	2.46	2.32	6.26%
Debt-Equity ratio	Times	Debt consist of borrowings	Total Equity	0.15	0.17	(15.50%)
Debt service coverage ratio	Times	Earnings for Debt service= Net profit after tax + depreciation + interest	Debt service = Interest and lease payments+ Principal repayments	11.65	12.68	(8.11%)
Return on equity ratio	%	Profit for the year	Average total equity	22.84	25.68	(11.06%)
Inventory turnover ratio	Times	Cost of Goods sold	Average inventory	5.76	6.04	(4.55%)
Trade receivables turnover ratio	Times	Sales of products	Average trade receivables	6.56	6.94	(5.51%)
Trade payables turnover ratio	Times	Cost of material + other expenses	Average trade payable	5.83	6.09	(4.30%)

Notes to the standalone financial statements for the year ended 31 March 2025

Particulars	Unit	Numerator	Denominator	Year ended 31 March 2025	Year ended 31 March 2024	Variances (%)
Net capital turnover ratio	Times	Sales of products	Average working capital (i.e Total current assets less Total current liabilities)	2.89	3.14	(8.16%)
Net profit ratio	%	Profit for the year	Sales of products	15.89	15.36	3.46%
Return on capital employed	%	Profit before tax and finance cost	Capital employed = Net worth + Debt	24.83	26.93	(7.77%)
Return on investment*	%	Income generated from invested funds	Average invested funds in treasury investment	16.55	6.19	167.52%

* The variation is more than 20% over last year due to treasury investments made during the year, has been fully redeemed as on 31 March 2025 results into lowering of average investment.

53. The Board pursuant to shareholder's approval in the annual general meeting held on 06 July 2023, allotted 22,024,912 equity shares as bonus share in the ratio of 1:1 to those shareholders who held shares as on record date i.e. 24 July 2023, during the year ended 31 March 2024.

54. During the year ended 31 March 2024, the Company had acquired 62 % of equity share in SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) through its wholly owned subsidiary SPR Engenious Limited. Further, the Company had provided following corporate guarantee in favour of the bank to provide additional security against term loan granted by the bank:

Rs. million

Name of the step down subsidiary	Name of the bank	Balance as at 31 March 2025		Balance as at 31 March 2024	
SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	HDFC Bank	Amount of loan	Amount of guarantee	Amount of loan	Amount of guarantee
		977.78	977.78	1,100.00	1,100.00

55. The Company has infused Rs. 2,300.00 million and Rs 200.00 million on 19 December 2024 and 04 March 2025 respectively (previous year: Rs. 2,300.00 millions) in SPR Engenious Limited (SEL), its wholly owned subsidiary (WOS) by ways of subscription to equity share capital through right issue with the purpose of diversifying its product portfolio in the areas related to the automotive segment.

Further, SEL has invested Rs. 2176.23 million on 24 December 2024 by way of acquisition of 100% stake in the equity share capital of SPR TGPEL Precision Engineering Limited (formerly TGPEL Precision Engineering Limited) (SPR TGPEL) pursuant to Share Purchase Agreement dated 10 December 2024. With this investment, SPR TGPEL has become the step down subsidiary of the Company.

56. The Companys' 4,40,49,824 equity shares with face value of Rs. 10 each, fully paid up has been listed and admitted for trading on Bombay Stock Exchange (BSE) w.e.f. Tuesday 04 February 2025 under the scrip code 544344.

57. On 07 March 2025, the Company has entered into a Share Purchase Agreement with existing shareholders of Karna Intertech Private Limited ('Karna') to acquire 100% equity stake in Karna for Rs. 50.00 million. Accordingly, the Company has acquired 100% equity shareholding in Karna on 01 April 2025 and Karna has become a wholly owned subsidiary of the Company.

58. The Company has no transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Notes to the standalone financial statements for the year ended 31 March 2025

59. (i) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) The Company do not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(iii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

60. There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.

61. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

62. The Company is not declared willful defaulter by any bank or financial institution or government or any government authority.

63. The Company has complied with the number of layers as prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

64. During the year ended 31 March 2025, the Company has provided loans, made investment and given guarantee to persons including its wholly owned subsidiary and its step down subsidiary pursuant to provisions of section 186 (4) to be utilised by them for the purpose of its normal business activity.

Rs. million

Particulars	As at 31 March 2024	Addition	Reduction	As at 31 March 2025
Investment in wholly owned subsidiary - SPR Engenious Limited	3,500.00	2,500.00	-	6,000.00
Investment in equity shares - Lalganj Power Private Limited	48.00	-	-	48.00
Corporate guarantee given on behalf of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	1,100.00	-	122.22	977.78
Loan to employee (refer note 8)	-	150.00	-	150.00
Inter-corporate loan - SPR Engenious Limited*	-	22.50	22.50	-
Investment in equity shares - Fourth Partner Solar Power Private Limited	-	52.00	-	52.00

*Unsecured loan for a period upto 6 months with interest rate ranging from 8.00 % p.a. - 8.50 % p.a.

65. In terms of SEBI circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021, as amended by SEBI circular No. SEBI/HO/DDHS/DDHS-RACPOD1/ P/CIR/2023 /172 dated 19 October 2023, the Company does not meet all the prescribed conditions to qualify as a 'Large Corporate', hence, not classified as a Large Corporate as on 31 March 2025. Therefore, the disclosure requirements as per the said circulars are not applicable.

66. The Company had been accepting deposits under Fixed Deposit Scheme as per Section 58A of the Companies Act, 1956 and Section 73 to 76 of the Companies Act, 2013 (refer note 17 and 21). During the year, the Company has fully repaid the deposits including the unclaimed matured deposits. As on 31 March 2025, there are no outstanding deposits under the Fixed Deposit Scheme and the Company has discontinued the Fixed Deposit Scheme.

67. The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall only use such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such change was made and ensuring that the audit trail cannot be disabled. The new requirement is applicable with effect from the financial year beginning on 1 April 2023. During the year, the audit trail (edit log) at the application level for the accounting software were operating for all relevant transactions recorded in the software. Further, the audit trail (edit logs) feature for any direct changes made at the database level was enabled w.e.f. 24 January 2025 for the accounting software SAP ECC used for maintenance of books of accounts.

Notes to the standalone financial statements for the year ended 31 March 2025

68. Figures of previous year have been regrouped/ reclassified, wherever necessary, to correspond with the figures of the current period. The impact of such regrouping/ reclassification is not material to these standalone financial statements.

The accompanying summary of accounting policies and significant explanatory notes form an integral part of these standalone financial statements.

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Tina Trikha
Director
DIN: 02778940

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 07 May 2025

Independent Auditor's Report

To the Members of Shriram Pistons & Rings Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Shriram Pistons & Rings Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure I, which comprise the Consolidated Balance Sheet as at 31 March 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2025, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's report of even date to the members of Shriram Pistons & Rings Limited on the consolidated financial statements for the year ended 31st March 2025

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue Recognition of sale of products (Refer note 2.A.12 to the accompanying consolidated financial statements for material accounting policy information on revenue recognition and note 24 for the details of revenue recognised during the year.) Revenue from contracts with customers for the year ended 31 March 2025 is Rs. 34,975.38 millions. The Group recognizes revenue from sale of products upon satisfaction of its performance obligation, i.e., transfer of control to the customer in accordance with the principles of Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115').	**Our audit procedures relating to revenue recognition included, but were not limited to, the following:** a) Understood the nature of revenue transactions, revenue recognition process and evaluated the appropriateness of the accounting policy adopted by the management in accordance with Ind AS 115; b) Evaluated the design and implementation, and tested operating effectiveness of key controls around revenue recognition;

Key audit matter	How our audit addressed the key audit matter
Revenue, being one of the key performance indicators of the Group and its external stakeholders, is subject to high inherent risk of material misstatement, and is therefore determined to be an area involving significant risk in line with the requirements of the Standards on Auditing which required significant auditor attention. Further, due to varying shipment terms with its customers across its operating markets, considerable efforts are required by the management on determining the timing of revenue recognition according to Ind AS 115. Considering the above along with the significance of amount, volume of transactions and varied terms of contracts with customers, we have identified revenue recognition as a key audit matter for the current year audit.	c) Performed substantive testing on selected samples of revenue transactions recorded during the year, and transactions recorded during specific period before and after year end, by inspecting supporting documents such as customer contracts/ purchase orders, invoices, shipment terms, proofs of dispatch and delivery etc., to ensure the accuracy and completeness of revenue recorded for such transactions; d) Performed substantive analytical procedures on revenue recognised during the year such customer wise variance analysis, product wise analysis, to identify any unusual and/ or material variances; e) Tested unusual non-standard journal entries impacting revenue, selected based on risk-based criteria; f) Tested the manual adjustments made to revenue recorded during the year with respect to variable consideration as determined under Ind AS 115, and g) Evaluated the appropriateness and adequacy of disclosures made in the accompanying standalone financial statements in respect of revenue recognition in accordance with financial reporting framework.
Business Combination accounting under Ind AS 103 (Refer notes 2.A.11 to the accompanying consolidated financial statements for material accounting policy information on business combination and note 48 (a) for the details of business acquired during the year). On 24 December 2024, the Holding Company acquired 100% stake in TGPEL Precision Engineering Limited ('TGPEL') through its wholly-owned subsidiary SPR Engenious Limited ('SEL') for a purchase consideration amounting to Rs. 2,176.23 millions. With this, TGPEL has become a step-down subsidiary of the Holding Company. The Group has accounted for aforementioned business acquisition in accordance with Ind AS 103, "Business Combinations" ('Ind AS 103'), which requires the recognition of identifiable assets and liabilities at acquisition date fair values, with the excess of the acquisition price over the net assets acquired, recognised as goodwill. The allocation of the purchase price to identifiable assets and liabilities including intangibles acquired was performed by external valuation experts using discounted cash flow method and multi-purpose excess earning method valuation models. The assumptions underpinning aforesaid fair valuation includes estimates of future cash flows, contributory asset charges, discount rate applied, etc., which are subject to high estimation uncertainty. Considering the materiality of the amount and management judgement involved and the significant auditor attention required to test such management estimates, we have identified the accounting for aforesaid business combination as a key audit matter for current year audit.	Our audit procedures relating to business combinations included, but were not limited to, the following procedures: a) Obtained an understanding from the management with respect to business acquisition process and evaluated the design and implementation, and tested the operating effectiveness of the Group's controls over the accounting of business combination which includes valuation of identified assets and liabilities acquired under the business combination; b) Assessed appropriateness of the accounting policy adopted by the management in accordance with Ind AS 103; c) Obtained the understanding of the terms of agreements entered by the company for the said acquisition to evaluate management's assessments; d) Evaluated the competence and objectivity of the management's experts engaged by the Holding Company to perform the purchase price allocation; e) Involved valuation specialists as auditor's experts to assist in evaluating the appropriateness of the valuation methodology and the key valuation assumptions used for fair valuation of assets and liabilities including identification and measurement of intangible assets and goodwill acquired through the said business combination; f) Tested the projections included in the valuation models used above basis our understanding of the business and market conditions, with specific attention to inputs with high estimation uncertainty as identified by performing sensitivity analysis; g) Tested the arithmetical accuracy of the management computation as above; and h) Assessed the appropriateness and adequacy of the disclosures made in the accompanying consolidated financial statements in respect of the acquisition in accordance with the requirements of applicable accounting standards.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of goodwill (Refer notes 2.A.11 to the accompanying consolidated financial statements for material accounting policy information on impairment of goodwill and note 5 for the details on Goodwill and its impairment). (Refer notes 2.A.11 to the accompanying consolidated financial statements for material accounting policy information on impairment of goodwill and note 5 for the details on Goodwill and its impairment). The Group's assets as at 31 March 2025 include INR 1,335.12 millions of goodwill. In accordance with Ind AS-36, Impairment of assets ('Ind AS 36'), goodwill is allocated to various cash generating units ('CGUs') which are tested annually for impairment. The Group has determined the recoverable value of the identified CGUs using discounted cash flow method with the help of external valuation experts. Such determination of the recoverable value of CGUs requires management to make certain key estimates and assumptions, including revenue growth, operating margin and discount rate, which are dependent on current and future market and economic conditions. Changes in these assumptions could lead to an impairment in the carrying value of goodwill. Considering the materiality of the amounts involved and high inherent level of subjectivity and estimation uncertainty with respect to the assumptions used, impairment assessment of goodwill is considered to be a significant accounting estimate and a key audit matter in the current year audit.	Our audit procedures relating to impairment assessment of goodwill included, but were not limited to, the following procedures: a) Obtained an understanding from the management with respect to process and controls followed by the Group to test goodwill for impairment. Evaluated the design and implementation, and tested the operating effectiveness of these controls. b) Evaluated appropriateness of Group's methodology applied in identifying the CGUs to which goodwill is allocated for monitoring, and assessed appropriateness of the accounting policy adopted by the management in accordance with the requirements of Ind AS 36. c) Obtained management's external valuation specialist's report on determination of recoverable value of CGUs and assessed the competence and objectivity of such management expert. d) Traced the management projections of cash flow forecasts used in the recoverability working to approved business plans. e) Involved auditor's valuation experts to validate the valuation assumptions and methodology considered by the management while computing recoverable amount of the CGUs. f) Assessed the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used, basis our understanding of the business and market conditions. g) Performed sensitivity analysis of key assumptions used in the valuation models to determine and consider related estimation uncertainty. h) Assessed the appropriateness and adequacy of the disclosures made in the consolidated financial statements, including disclosure of significant assumptions and judgements used by management, in accordance with applicable accounting standards.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act, we report that the Holding Company and its 3 subsidiaries incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that 1 subsidiary incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary.

16. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

17. As required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b) Except for the effects of the matter stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

e) On the basis of the written representations received from the directors of the Holding Company and its subsidiaries and taken on record by the Board of Directors of the Holding Company, its subsidiaries, covered under the Act, none of the directors of the Holding Company, its subsidiaries are disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act.

f) The modification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiaries covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' wherein we have expressed an unmodified opinion; and

h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in note 39 to the consolidated financial statements;

ii. The Holding Company and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025.;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries during the year ended 31 March 2025;

iv. a. The respective managements of the Holding Company and its subsidiaries incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, other than as disclosed in note 41 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiaries ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiaries incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, other than as disclosed in the note 61 to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The interim dividend declared and paid by the Holding Company during the year ended 31 March 2025 and until the date of this audit report is in compliance with section 123 of the Act.

The final dividend paid by the Holding Company during the year ended 31 March 2025 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 15 (g) to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. As stated in note 65 to the consolidated financial statements and based on our examination which included test checks, the Holding Company and its subsidiaries, in respect of financial year commencing on or after 1 April

2024, have used accounting softwares for maintaining their books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. However, the audit trail feature in the accounting software used for maintenance of accounting records was not enabled by the Holding Company and its 1 subsidiary (SPR Engenious Limited) to log any direct changes at database level up to 23 January 2025. Further, the accounting software used by its another subsidiary (SPR TGPEL Precision Engineering Limited), retains the log of only 99 modifications made in master data at the application level. In the absence of evidence, we are unable to comment on whether the modifications exceeded the specified limit set within the said software of the subsidiary and the audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of all accounting records by this subsidiary.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Furthermore, the audit trails have been preserved by the Holding Company and above referred subsidiaries as per the statutory requirements for record retention from the data the audit trail was enabled for the accounting software.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.001076N/N500013

Arun Tandon
(Partner)
Membership No. 517273
UDIN: 25517273BMIDAC8530

Place: New Delhi
Date: 07 May 2025

Annexure I

List of entities included in the Statement

S.No. Name of the Holding Company

1. Shriram Pistons & Rings Limited

Name of subsidiaries

2. SPR Engenious Limited
3. SPR EMF Innovations Private Limited (Formerly EMF Innovations Private Limited)
4. SPR Takahata Precision India Private Limited (Formerly Takahata Precision India Private Limited) (with effect from 16 October 2023)
5. SPR TGPEL Precision Engineering Limited (formerly TGPEL Precision Engineering Limited) (with effect from 24 December 2024)

Annexure II

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Shriram Pistons & Rings Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company and its subsidiary companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion the Holding Company and its subsidiary companies which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Holding Company and its subsidiary companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.001076N/N500013

Arun Tandon
(Partner)
Membership No. 517273
UDIN: 25517273BMIDAC8530

Place: New Delhi
Date: 07 May 2025

Consolidated Balance Sheet as at 31 March 2025

	Note no.	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	7,706.52	6,791.38
b) Capital work-in-progress	4	578.07	314.54
c) Goodwill	5	1,335.12	466.16
d) Other intangible assets	5	1,076.97	1,072.43
e) Right of use assets	6	1,913.87	1,009.74
f) Financial assets			
(i) Investments	7	100.03	48.00
(ii) Loans	8	120.00	-
(iii) Other financial assets	9	1,318.08	1,621.58
g) Deferred tax assets (net)	20	64.34	25.75
h) Other non-current assets	11	272.72	464.62
		14,485.72	**11,814.20**
Current assets			
a) Inventories	12	4,723.16	3,910.52
b) Financial assets			
(i) Investments	7	263.19	1,097.39
(ii) Trade receivables	13	5,837.19	4,760.55
(iii) Cash and cash equivalents	14	420.76	534.90
(iv) Other bank balances other than (iii) above	14	10,095.22	8,084.82
(v) Loans	8	30.00	-
(vi) Other financial assets	9	492.03	450.65
c) Other current assets	11	942.20	729.83
		22,803.75	**19,568.66**
TOTAL ASSETS		**37,289.47**	**31,382.86**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	15	440.50	440.50
b) Other equity	16	23,496.14	18,816.24
Equity attributable to owners of the Company		23,936.64	19,256.74
c) Non-controlling interest		1,036.53	948.79
Total equity		24,973.17	20,205.53
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	17	1,736.86	2,070.98
(ii) Lease liabilities	37	238.54	260.87
(iii) Other financial liabilities	23	135.92	104.75
b) Provisions	18	388.90	320.53
c) Deferred tax liabilities (net)	20	603.74	373.47
d) Other non-current liabilities	19	0.02	-
		3,103.98	**3,130.60**
Current liabilities			
a) Financial liabilities			
(i) Borrowings	21	3,045.32	2,478.15
(ii) Lease liabilities	37	57.07	55.86
(iii) Trade payables	22		
- Total outstanding dues of micro enterprises and small enterprises		198.16	123.48
- Total outstanding dues of creditors other than micro enterprises and small enterprises		3,908.82	3,436.32
(iv) Other financial liabilities	23	1,158.11	1,164.61
b) Other current liabilities	19	564.03	552.04
c) Provisions	18	172.40	152.36
d) Current tax liabilities (net)	10	108.41	83.91
		9,212.32	**8,046.73**
TOTAL EQUITY AND LIABILITIES		**37,289.47**	**31,382.86**

See accompanying notes to the consolidated financial statements '1-67

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Tina Trikha
Director
DIN: 02778940

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 07 May 2025

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Consolidated Statement of Profit and Loss for the year ended 31 March 2025

		Note no.	For the Year ended 31 March 2025 Rs. million	For the Year ended 31 March 2024 Rs. million
I	Revenue from operations	24	35,498.34	30,893.25
II	Other income	25	1,113.99	852.71
III	**Total income (I+II)**		**36,612.33**	**31,745.96**
IV	**Expenses**			
	Cost of materials consumed	26	14,360.61	11,663.32
	Purchase of stock-in-trade		858.63	876.14
	(Increase) / decrease in inventories of finished goods, work-in-progress and stock-in-trade	27	(342.66)	(61.81)
	Employee benefits expense	28	5,138.15	4,594.77
	Finance costs	29	343.53	304.57
	Depreciation and amortisation expense	30	1,196.80	1,077.07
	Other expenses	31	8,240.64	7,400.58
	Total expenses		**29,795.70**	**25,854.64**
V	**Profit before tax (III-IV)**		**6,816.63**	**5,891.32**
VI	**Tax expense:**			
	i) Current tax - Current year		1,730.43	1,528.02
	ii) Deferred tax - Current year	20	(69.39)	(23.34)
			1,661.04	**1,504.68**
VII	**Profit for the year (V-VI)**		**5,155.59**	**4,386.64**
VIII	Other comprehensive income			
	A (i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the post employment defined benefit plans		59.86	89.58
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(14.99)	(22.57)
	B (i) Items that will be reclassified to profit or loss			
	a) Fair value change of cash flow hedge		10.26	(2.34)
	(ii) Income tax relating to items that will be reclassified to profit or loss		(2.57)	0.45
	Total other comprehensive income		**52.56**	**65.12**
IX	**Total comprehensive income (VII+VIII)**		**5,208.15**	**4,451.76**
X	**Profit attributable to:**			
	Owners of Shriram Pistons and Rings Limited		5,066.83	4,425.55
	Non- controlling interest		88.76	(38.91)
			5,155.59	**4,386.64**
XI	**Other comprehensive income**			
	Owners of Shriram Pistons and Rings Limited		53.58	65.39
	Non- controlling interest		(1.02)	(0.27)
			52.56	**65.12**
XII	**Total Comprehensive income**			
	Owners of Shriram Pistons and Rings Limited		5,120.41	4,490.94
	Non- controlling interest		87.74	(39.18)
			5,208.15	**4,451.76**
	Earnings per share (of Rs. 10/- each)	33		
	Basic (Rs)		115.02	100.47
	Diluted (Rs)		115.02	100.47

See accompanying notes to the consolidated financial statements 1-67

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Tina Trikha
Director
DIN: 02778940

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 07 May 2025

Consolidated statement of Cash flows for the year ended 31 March 2025

		Year ended 31 March 2025 Rs. million	Year ended 31 March 2024 Rs. million
A.	**Cash flow from operating activities**		
	Profit before tax	6,816.63	5,891.32
	Adjustments for :		
	Depreciation/amortisation (refer note 30)	1,196.80	1,077.07
	Finance costs (refer note 29)	343.53	304.57
	Bad debts/advances written off (refer note 31)	1.73	5.14
	Provision for doubtful debts (net) (refer note 25 and 31)	(5.55)	2.53
	Interest income (refer note 25)	(824.96)	(660.87)
	Net gain on sale/ fair valuation of current investment (refer note 25)	(67.62)	(49.95)
	Unrealised exchange rate variation (net)	(21.50)	(43.40)
	Liabilities/provisions no longer required written back	(0.24)	-
	(Profit) / loss on sale / write off / retirement of property, plant and equipment (refer note 25 and 31)	(8.13)	3.28
	Operating profit before working capital changes	**7,430.69**	**6,529.69**
	Adjustments for:		
	(Increase)/ decrease in inventories	(746.34)	(265.62)
	(Increase)/ decrease in trade receivables	(863.43)	(357.17)
	(Increase)/ decrease in other financial assets and loans (current and non current)	(140.23)	(74.27)
	(Increase)/ decrease in other assets (current and non current)	(103.63)	(280.49)
	Increase/ (decrease) in trade payables	488.57	483.91
	Increase/ (decrease) in other financial liabilities (current and non current)	19.47	299.70
	Increase/ (decrease) in other liabilities and provisions (current and non current)	(50.54)	92.68
	Cash generated from operations	**6,034.56**	**6,428.43**
	Income tax paid	(1,690.77)	(1,561.14)
	Net cash generated from operating activities **(A)**	**4,343.79**	**4,867.29**
B.	**Cash flow from investing activities**		
	Interest received	745.51	485.78
	Sale of property, plant and equipment	60.95	(3.28)
	Investment in equity shares	(52.03)	-
	Purchase of property, plant and equipment	(1,716.54)	(1,415.53)
	Purchase of intangible assets	(25.82)	(45.76)
	Purchase of current investment	(12,822.42)	(18,591.13)
	Proceeds from sale of current investment	13,724.23	18,218.66
	Investment in subsidiary (net of cash and cash equivalents acquired)	(2,091.02)	(364.75)
	Proceeds from redemption of investment in margin money with banks	-	50.44

Consolidated statement of Cash flows for the year ended 31 March 2025

		Year ended 31 March 2025 Rs. million	Year ended 31 March 2024 Rs. million
Investment in deposits with banks		(2,290.77)	(3,271.90)
Proceeds from redemption of deposits with banks		620.44	721.52
Net cash used in investing activities	**(B)**	**(3,847.47)**	**(4,215.95)**
C. Cash flow from financing activities			
Repayment of principal portion of lease liabilities		(59.48)	(68.34)
Repayment of interest portion of lease liabilities		(29.59)	(29.36)
Interest paid on borrowings		(313.95)	(262.62)
Dividend paid		(440.50)	(330.37)
Proceeds from non-current borrowings		200.00	343.62
Repayment of non-current borrowings		(357.40)	(620.38)
Movement in short-term borrowings (net)		567.17	777.94
Repayment of deposits		(176.71)	(232.08)
Net cash used in financing activities	**(C)**	**(610.46)**	**(421.59)**
Net (decrease) / increase in cash and cash equivalents	**(A+B+C)**	**(114.14)**	**229.75**
Cash and cash equivalents at the beginning of the year		**534.90**	**305.15**
Cash and cash equivalents at the end of the year		**420.76**	**534.90**
Components of cash and cash equivalents (refer note 14)			
Cash in hand		0.68	0.53
Balances with banks			
- current accounts		420.08	254.37
- Deposits with original maturity less than 3 months		-	280.00
		420.76	**534.90**

Notes to statement of cash flows:

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7.

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

For and on behalf of the Board of Directors

Arun Tandon
Partner
Membership no. 517273

Pradeep Dinodia
Chairman
DIN: 00027995

Tina Trikha
Director
DIN: 02778940

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 07 May 2025

Consolidated Statement of Changes in Equity as at 31 March 2025

a) Fully paid up equity shares

(face value of Rs 10/- each)

	Nos of shares	Amount Rs. million
Balance as at 31 March 2023	22,024,912	220.25
Add: Issued during the year (refer note 53)	22,024,912	220.25
Balance as at 31 March 2024	**44,049,824**	**440.50**
Add: - Issued during the year	-	-
Balance as at 31 March 2025	**44,049,824**	**440.50**

(b) Other Equity

Particulars	Reserves and surplus						Items of other comprehensive income	Equity component of compound financial instrument	Total	Non-Controlling interest
	Preference share redemption reserve*	Capital redemption reserve*	Revaluation reserve*	Retained earnings	General reserve	Sub total	Effective portion of cash flow hedge reserve			
Balance as at 31 March 2023	**388.58**	**3.50**	**97.27**	**1,300.00**	**13,264.63**	**15,053.98**	**0.33**	-	15,054.31	449.81
Profit for the year	-	-	-	4,425.55	-	4,425.55	-	-	4,425.55	(38.91)
Used for issuance of bonus shares	(220.25)	-	-	-	-	(220.25)	-	-	(220.25)	-
Reversal on disposal of revalued assets	-	-	(0.02)	-	-	(0.02)	-	-	(0.02)	-
Dividends (refer note 15 g)	-	-	-	(330.37)	-	(330.37)	-	-	(330.37)	-
Non-controlling interest on business combination during the year (refer note 48 b)	-	-	-	-	-	-	-	-	-	413.80
Change in ownership interest (refer note 51)	-	-	-	(124.37)	-	(124.37)	-	-	(124.37)	124.37
Equity component of compound financial instrument	-	-	-	-	-	-	-	28.72	28.72	-
Put liability recognised (refer note 23)	-	-	-	(82.73)	-	(82.73)	-	-	(82.73)	-
Other comprehensive income for the year, net of tax	-	-	-	67.03	-	67.03	(1.62)	-	65.41	(0.27)
Transfer to general reserve	-	-	-	(3,955.11)	3,955.11	-	-	-	-	-
Balance as at 31 March 2024	**168.33**	**3.50**	**97.25**	**1,300.00**	**17,219.74**	**18,788.81**	**(1.29)**	**28.72**	**18,816.24**	**948.79**
Profit for the year	-	-	-	5,066.83	-	5,066.83	-	-	5,066.83	88.76
Reversal on disposal of revalued assets	-	-	(0.01)	-	-	(0.01)	-	-	(0.01)	-
Dividends (refer note 15 g)	-	-	-	(440.50)	-	(440.50)	-	-	(440.50)	-
Other comprehensive income for the year, net of tax	-	-	-	45.91	-	45.91	7.67	-	53.58	(1.02)
Transfer to general reserve	-	-	-	(4,672.24)	4,672.24	-	-	-	-	-
Balance as at 31 March 2025	**168.33**	**3.50**	**97.24**	**1,300.00**	**21,891.98**	**23,461.04**	**6.38**	**28.72**	**23,496.14**	**1,036.53**

* The revaluation reserve, preference share redemption reserve and capital redemption reserve are not "free reserve" as per Companies Act 2013, hence not available for distribution of dividend.

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
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DIN: 00027995

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Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 07 May 2025

Notes to the consolidated financial statements for the year ended 31 March 2025

1. Corporate information

The consolidated financial statements comprise financial statements of Shriram Pistons & Rings Limited ("the Holding Company") having CIN No.- L29112DL1963PLC004084 and its subsidiaries (collectively referred as "the Group") for the year ended 31 March 2025.

The Group is engaged in the business of manufacturing of auto components including pistons, piston pins, piston rings, engine valves, electric motors, motor controllers for the electric vehicles & other applications, precision moulded resin parts, precision metal moulds and assembled resin parts. The consolidated financial statements have been approved for issuance by the Holding Company's Board of Directors on 07 May 2025.

2. (A) Material accounting policy information

2.A.1.1 Basis of accounting and preparation of financial statements

The consolidated financial statements ("financial statements") have been prepared in accordance with the Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 and Companies (Indian Accounting Standards) Amendment Rules, 2017 issued by the Ministry of Corporate Affairs ('MCA').

The financial statements have been prepared under historical cost convention on accrual and going concern basis, except for the following assets and liabilities:-

i) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

ii) Investments in unquoted equity shares measured at fair value

iii) Defined benefit liabilities are measured at present value of defined benefit obligation.

iv) Certain financial assets and liabilities at amortised cost

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The buyback of equity shares and related transaction costs are recorded as reduction of retained earnings/ general reserves. Capital redemption reserve is created as an apportionment from general reserves.

The financial statements are presented in INR "(Indian Rupees)" and all values are rounded to the nearest million, except when otherwise indicated.

2.A.1.2 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purpose, fair value measurement are categorised into level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in the entirety, which are described as follows:

- Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities

- Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Notes to the consolidated financial statements for the year ended 31 March 2025

- Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

2.A.1.3 Basis of consolidation

The consolidated financial statements of the Holding Company and its subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses. All intragroup assets and liabilities, equity, income, expenses, unrealised gain on transactions and cash flows relating to transactions between Group companies are eliminated in full on consolidation.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Holding Company's separate financial statements.

The consolidated financial statements incorporate the financial statements of the Holding Company and its subsidiaries. Control is achieved when the Holding Company:

- has power over the investee;

- is exposed, or has rights, to variable returns from its involvement with the investee; and

- has the ability to use its power to affect its returns.

The Holding Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Holding Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Holding Company considers all relevant facts and circumstances in assessing whether or not the Holding Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Holding Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

- potential voting rights held by the Holding Company, other vote holders or other parties;

- rights arising from other contractual arrangements; and

- any additional facts and circumstances that indicate that the Holding Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiaries begins when the Holding Company obtains control over the subsidiaries and ceases when the Holding Company loses control of the subsidiaries. Specifically, income and expenses of a subsidiaries acquired or disposed off during the year are included in the consolidated statement of profit and loss and other comprehensive income from the date the Holding Company gains control until the date when the Holding Company ceases to control the subsidiaries.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Holding Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Holding Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

The financial statements of the entities used for the purpose of consolidation are drawn up to same reporting date as that of the Group i.e. year ended 31 March 2025.

Notes to the consolidated financial statements for the year ended 31 March 2025

S. No.	Name of the Company	Country of Incorporation	Relationship as at 31 March 2024	Percentage of effective ownership interest held (directly or indirectly)	
				31 March 2024	31 March 2023
1.	SPR Engenious Limited	India	Subsidiary of Shriram Pistons & Rings Limited	100.00%	100.00%
2.	SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	India	Step down Subsidiary of Shriram Pistons & Rings Limited	66.42%	66.42%
3.	SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	India	Step down Subsidiary of Shriram Pistons & Rings Limited	62.00%	62.00%
4.	SPR TGPEL Precision Engineering Limited (formerly TGPEL Precision Engineering Limited)	India	Step down Subsidiary of Shriram Pistons & Rings Limited	100.00%	

2.A.1.4 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification:

The Group classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it is expected to be settled in normal operating cycle;
- it holds the liability for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

The Group's normal operating cycle is twelve months.

Notes to the consolidated financial statements for the year ended 31 March 2025

2.A.2 Significant accounting judgements, estimates and assumptions.

The preparation of the financial statements is in conformity with Indian Accounting Standards (Ind AS) and requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise information, about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes.

- **Deferred tax:** Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.
- **Impairment of financial assets and non-financial assets and goodwill: T**he impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained. The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

- **Useful lives of depreciable/amortisable assets:** value of property, plant and equipment and intangibles at the end of each reporting period. Factors such as changes in the expected level of usage could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and may have an impact on the profit of the future years.

Notes to the consolidated financial statements for the year ended 31 March 2025

- **Estimation of defined benefit obligation:** Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- **Estimation for expected credit losses of trade receivables:** Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management believes that there is uncertainty of collections. Provision is recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.
- **Incremental rate of borrowing for lease accounting:** The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

2.A.3.1 Property, plant and equipment

Property, plant and equipment held for use in production or supply of goods and services, or for administrative purpose, are stated at historic cost, net of accumulated depreciation (net of input tax credits availed) including taxes and other incidental expenses related to acquisition, installation and borrowing cost on loan taken for the acquisition of qualifying assets upto the date the assets are ready for their intended use. Subsequent measurement of property, plant and equipment is done in accordance with cost model.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

Subsequent expenditure can be capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Group.

An item of property, plant and equipment is derecognised on disposal, or when no future economic benefit are expected to arise from the continued use of assets. Any gain and loss arising on the disposal of or retirement is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the statement of profit and loss.

2.A.3.2 Intangible assets

Intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the entity and the cost of the asset can be reliably measured.

Intangible assets held for use in production or supply of goods and services, or for administrative purpose, are stated at are stated at historic cost, net of accumulated depreciation (net of input tax credits availed) including taxes and other incidental expenses related to acquisition, installation and borrowing cost on loan taken for the acquisition of qualifying assets upto the date the assets are ready for their intended use.

An item of intangible asset is derecognised on disposal, or when no future economic benefit are expected to arise from the continued use of assets. Any gain and loss arising on the disposal of or retirement is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the statement of profit and loss. Subsequent measurement of intangible assets is done in accordance with cost model.

Notes to the consolidated financial statements for the year ended 31 March 2025

2.A.3.3 Capital work-in-progress

Capital work-in-progress represents expenditure incurred in respect of capital projects under development and are carried at cost. Cost includes related acquisition expenses, development/ construction costs, borrowing costs and other direct expenditure. Subsequent measurement of capital work-in-progress is done in accordance with cost model.

2.A.3.4 Leases

Lessee Accounting

1. Lease liability is recognised at the commencement of lease and measured at an amount equal to the present value of minimum lease payments during the lease term that are not yet paid.
2. Right of use asset is recognised at the commencement of lease and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of the restoration costs and any initial direct costs incurred by the lessee. Right-of-use assets are amortized on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets and impairment loss. Subsequent measurement of right-of-use assets is done in accordance with cost model.
3. The lease liability is measured in subsequent periods using the effective interest rate method.
4. Recognition and measurement exemption is availed for low-value assets and short-term leases. Assets of low value include IT equipment or office furniture. No monetary threshold has been defined for low-value assets. Short-term leases are defined as leases with a lease term of 12 months or less.

2.A.4 Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

The Group is following written down value method in case of Furniture, fixtures and office equipment and straight line method in respect of other assets.

Depreciation on tangible property, plant and equipment has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the certain categories of assets, in whose case the life of the assets has been assessed based on technical advice, taking into account the nature, the estimated usage, operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance practices etc. Following are the estimated useful lives of various category of assets used:

Factory building	-	thirty years
Office building	-	sixty years
Factory wall fencing	-	five years
Plant and equipment		
- General	-	eight - twenty five years
- Electric installation / equipment	-	five - twenty two and half years
- Plant and equipment- welding	-	fifteen years
- Spares	-	five years
- Plastic crates	-	fifteen years
- Moulds	-	six years
- Dies	-	three years
Road	-	twenty years
Bore well	-	fifteen years
Vehicle	-	five - eight years

Furniture and fixture / Office equipment	-	five - ten years
Computer	-	three years

All intangible assets are amortised on straight-line method over their estimated useful life as under.

Computer software	-	three – five years
Product design	-	three years
Enabling assets	-	fifteen years
Intellectual property	-	ten years
Trademarks acquired on acquisition	-	ten years
Customer contracts acquired on acquisition	-	ten years
Non-compete agreements acquired on acquisition		- three- nine years
Customer order book acquired on acquisition	-	one and a half years
Customer relationships acquired on acquisition	-	ten years

Assets costing up to Rs. 5,000 are fully depreciated in the year of acquisition.

Depreciation on assets acquired/sold/discarded during the year is charged on pro-rata basis except for furniture, fixtures and equipments where full year's depreciation is computed in the year of acquisition and no depreciation is provided in the year of sale.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and the effect of any changes in estimate is accounted for on a prospective basis.

2.A.5 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

Financial assets

All regular way purchases or sales of financial assets are accounted for at trade date basis. Regular way purchases or sales are purchase or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost

i) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

i) The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to the consolidated financial statements for the year ended 31 March 2025

Financial assets at fair value through profit or loss

Financial asset which are not classified in any of the above categories are subsequently measured at fair value through profit or loss (FVTPL).

Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. The average credit period is 20-55 days.

Investments

Investments in mutual funds and investment in equity instrument are measured at fair value through profit or loss.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost or at fair value through profit or loss (FVTPL). For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Fair value is determined in the manner described in note 42.

2.A.6 Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and cross currency interest rate swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

(i) Financial assets or financial liabilities, at fair value through profit or loss.

This category has derivative financial assets or liabilities which are not designated as hedges. Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through the statement of profit and loss and the resulting exchange gains or losses are included in the statement of profit and loss. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance sheet date.

(ii) Hedge accounting

The Group designates the derivatives as hedge of foreign exchange risk associated with the cash flows of highly probable forecast transaction.

The Group documents at the inception of the hedging transaction the economic relationship between hedging instrument and hedge items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

When forward contracts are used to hedge forecast transactions, the Group generally designates related forward contract related as the hedging instruments.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognised in other comprehensive income and accumulated under the heading of

cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to the statement of profit and loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. For the same, Group matches critical terms of hedge item and hedge instruments.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction and cross currency interest rate swap transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction and cross currency interest rate swap transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

Fair value is determined in the manner described in note 42.

2.A.7 Employee benefits

Retirement benefit costs and termination benefits:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Contribution towards Provident Fund and Superannuation Fund is paid as per the statutory provisions/ Holding Company's scheme. These benefits are charged to the statement of profit and loss of the year when they become due. For the provident fund trust administrated by the trustees, the Holding Company is liable to meet the shortfall, if any, in payment of interest at the rates declared by Central Government and such liability is recognised in the year of shortfall. For defined post-employment employee benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

i) Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

ii) Net interest expense or income; and

iii) Re-measurement.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Leave availment / encashment benefit is provided as per Group's scheme. Employees are entitled to accumulate leaves subject to certain limit as per Group's scheme.

Liabilities for compensated absence that are not expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service, are measured at the present value of expected future payment to be made in respect of service provided by employees up to the end of reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of

reporting period. Remeasurement as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss.

Employee benefits in the form of long service awards is provided as per Holding Company scheme. The liability is determined through actuarial valuation using projected unit credit method.

2.A.8 Taxes on income

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.A.9 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.A.10 Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.

When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.

2.A.11 Business Combination and goodwill

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. Acquisition related costs are recognised in profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except certain assets and liabilities that are required to be measured as per the applicable standard. Purchase consideration in excess of the Holding Company's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognised as goodwill. Excess of the Holding Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognised, after reassessment of fair value of net assets acquired, in the Capital Reserve.

Notes to the consolidated financial statements for the year ended 31 March 2025

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

2.A.12 Revenue recognition

Sale of products/services

The group recognize revenue from the sale of products or services upon transfer of control to customers. Revenue is measured at the amount of consideration which the Group expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example, taxes and duties collected on behalf of the government). A receivable is recognized upon satisfaction of performance obligations as per the contracts and is measured at transaction price.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration

before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Export benefits

Export benefit entitlements is in the nature of income, and are recognised when the right to receive benefit is established in respect of the exports made and the realisation is reasonably certain.

2.A.13 Inventories

Inventories are valued at lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition is accounted for as follows:

i) **Raw materials, loose tools and store and spares :** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Raw materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

ii) **Work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

iii) **Finished goods:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

iv) **Stock-in-trade:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(B) Other accounting policy information

2.B.1 Other income

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to Group and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the interest rate as applicable.

Miscellaneous income

Other revenues are recognised on accrual basis, except where there are uncertainties in realisation/ determination of income and in such case income is recognised on realisation / certainty.

2.B.2 Foreign currency transactions and translations

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing on or closely approximating to the date of transaction.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except exchange differences on transactions entered into in order to hedge certain foreign currency risks.

For foreign currency denominated financial assets measured at amortised cost or FVTPL, the exchange differences are recognised in statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.

Notes to the consolidated financial statements for the year ended 31 March 2025

2.B.3 Research and development

Revenue expenditure on research and development, inclusive of dies for new model development, is charged as expense in the year in which incurred. Capital expenditure is included in Property, plant, equipment and intangible assets.

2.B.4 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

2.B.5 Earnings per share

Basic earnings per share is calculated by dividing profit or loss attributable to the owners of the Group by weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split and any new equity issue.

For the purpose of calculating diluted earnings per share, profit or loss attributable to the owners of the Group and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.B.6 Impairment of assets

The carrying values of Property, plant and equipment, right of use assets and intangible assets or cash generating units are reviewed at each Balance sheet date for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the statement of profit and loss.

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

2.B.7 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. The Group is primarily engaged in the manufacturing and assembling of automotive components for the automotive industry. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risk and returns hence CODM reviews as one balance sheet component.

2.(C) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Group w.e.f. 01 April 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its consolidated financial statements.

Notes to the consolidated financial statements for the year ended 31 March 2025

3. Property, plant & equipment

Rs. million

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Dies	Total
As at 31 March 2024								
Gross carrying amount								
Opening gross carrying amount	-	1,695.09	9,846.80	61.96	45.70	224.10	184.38	12,058.03
Additions	-	161.18	705.20	12.14	0.74	79.20	39.97	998.43
Addition pursuant to business combination (refer note 48 b)	-	325.39	892.49	1.87	4.29	4.60	-	1,228.64
Disposals	-	(0.44)	(34.32)	(4.90)	(9.59)	(25.18)	(10.10)	(84.53)
Closing gross carrying amount as at 31 March 2024	**-**	**2,181.22**	**11,410.17**	**71.07**	**41.14**	**282.72**	**214.25**	**14,200.57**
Accumulated depreciation								
Opening accumulated depreciation	-	488.24	5,795.81	49.48	-	172.40	119.44	6,625.37
Depreciation charged during the year	-	77.21	670.86	10.61	10.22	53.13	29.66	851.69
Disposals	-	(0.20)	(24.76)	(4.43)	(7.00)	(21.89)	(9.59)	(67.87)
Closing accumulated depreciation as at 31 March 2024	**-**	**565.25**	**6,441.91**	**55.66**	**3.22**	**203.64**	**139.51**	**7,409.19**
Net carrying amount as at 31 March 2024	**-**	**1,615.97**	**4,968.26**	**15.41**	**37.92**	**79.08**	**74.76**	**6,791.38**
As at 31 March 2025								
Gross carrying amount								
Opening gross carrying amount	-	2,181.22	11,410.17	71.07	41.14	282.72	214.25	14,200.57
Additions	107.59	74.52	1,138.07	10.82	6.13	39.79	50.78	1,427.70
Addition pursuant to business combination (refer note 48 a)		190.06	275.64	2.40	1.48	6.79	-	476.37
Disposals	-	-	(72.43)	(22.19)	(4.19)	(64.06)	(9.46)	(172.33)
Closing gross carrying amount as at 31 March 2025	**107.59**	**2,445.80**	**12,751.45**	**62.10**	**44.54**	**265.24**	**255.57**	**15,932.31**
Accumulated depreciation								
Opening accumulated depreciation	-	565.25	6,441.91	55.66	3.22	203.64	139.51	7,409.19
Depreciation charged during the year	-	93.17	744.11	8.71	10.85	41.60	37.67	936.11
Disposals	-	-	(39.13)	(18.31)	(3.98)	(49.19)	(8.90)	(119.51)
Closing accumulated depreciation as at 31 March 2025	**-**	**658.42**	**7,146.89**	**46.06**	**10.09**	**196.05**	**168.28**	**8,225.79**
Net carrying amount as at 31 March 2025	**107.59**	**1,787.38**	**5,604.56**	**16.04**	**34.45**	**69.19**	**87.29**	**7,706.52**

Notes:

i) The Group has not revalued property, plant and equipment during the year.

ii) The above assets are secured against borrowings, refer note no. 17 and 21.

Notes to the consolidated financial statements for the year ended 31 March 2025

4. Capital-work-in progress (CWIP)

Rs. million

Particulars	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Balance at the beginning of the year	314.54	46.71
Additions during the year	1,416.15	1,186.13
Addition pursuant to business combination (refer note 48 a and 48 b)	0.42	12.16
Capitalised / adjusted during the year	(1,153.04)	(930.46)
Balance at the end of the year	**578.07**	**314.54**

Note:

1. The capital-work-in-progress mainly consist of property, plant and equipment under construction / installation and which are not ready for use at year end.
2. There are no such projects under capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan as of 31 March 2025 and 31 March 2024.

Capital-work-in progress ageing schedule is as under:

Rs. million

Particulars	As on 31 March 2025				
	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	
Projects in progress*	576.57	-	-	-	576.57
Projects temporarily suspended	-	-	1.50	-	1.50

Rs. million

Particulars	As on 31 March 2024				
	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	
Projects in progress*	292.17	20.87	-	-	313.04
Projects temporarily suspended	-	1.50	-	-	1.50

Notes:

a) The above assets are pledged as security against borrowings, refer note no. 17 and 21.

b) *The projects in progress as on 31 March 2025 will be completed within 1 year.

5. Goodwill and other intangible assets

Rs. million

Particulars	Goodwill	Other intangible assets									
		Computer software	Product design and development	Enabling assets	Customer contracts	Customer relationships	Trademarks	Technology	Non-compete	Sub total	Grand Total
As at 31 March 2024											
Gross carrying amount											
Opening gross carrying amount	411.75	95.73	92.27	85.59	114.36	-	103.78	524.20	178.13	1,194.06	1,605.81
Additions	-	5.56	39.35	0.85	-	-	-	-	-	45.76	45.76
Addition pursuant to business combination (refer note 48 b)	69.53	5.28	-	-	44.60	184.50	-	-	32.70	267.08	336.61
Disposals	(15.12)	(2.41)	-	-	-	-	-	-	-	(2.41)	(17.53)
Closing gross carrying amount as at 31 March 2024	**466.16**	**104.16**	**131.62**	**86.44**	**158.96**	**184.50**	**103.78**	**524.20**	**210.83**	**1,504.49**	**1,970.65**

Notes to the consolidated financial statements for the year ended 31 March 2025

Rs. million

Particulars	Goodwill	Other intangible assets									
		Computer software	Product design and development	Enabling assets	Customer contracts	Customer relationships	Trademarks	Technology	Non-compete	Sub total	Grand Total
Accumulated amortisation											
Opening accumulated depreciation	-	76.11	71.69	21.18	57.19	-	51.89	7.21	2.81	288.08	288.08
Depreciation / amortisation charged during the year	-	5.08	19.30	5.59	25.10	8.33	10.38	45.42	27.19	146.39	146.39
Disposals	-	(2.41)	-	-	-	-	-	-	-	(2.41)	(2.41)
Closing accumulated depreciation as at 31 March 2024	**-**	**78.78**	**90.99**	**26.77**	**82.29**	**8.33**	**62.27**	**52.63**	**30.00**	**432.06**	**432.06**
Net carrying amount as at 31 March 2024	**466.16**	**25.38**	**40.63**	**59.67**	**76.67**	**176.17**	**41.51**	**471.57**	**180.83**	**1,072.43**	**1,538.59**
As at 31 March 2025											
Gross carrying amount											
Opening gross carrying amount	466.16	104.16	131.62	86.44	158.96	184.50	103.78	524.20	210.83	1,504.49	1,970.65
Additions	-	12.54	11.78	2.62	-	-	-	-	-	26.94	26.94
Addition pursuant to business combination (refer note 48 a)	871.08	0.59	-	-	-	157.20	-	-	5.00	162.79	1,033.87
Disposals / adjustments	(2.12)	-	-	-	-	-	-	-	-	-	(2.12)
Closing gross carrying amount as at 31 March 2025	**1,335.12**	**117.29**	**143.40**	**89.06**	**158.96**	**341.70**	**103.78**	**524.20**	**215.83**	**1,694.22**	**3,029.34**
Accumulated amortisation											
Opening accumulated depreciation	-	78.78	90.99	26.77	82.29	8.33	62.27	52.63	30.00	432.06	432.06
Depreciation / amortisation charged during the year	-	8.27	22.19	5.71	41.25	22.36	10.38	45.43	29.60	185.19	185.19
Disposals	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at 31 March 2025	**-**	**87.05**	**113.18**	**32.48**	**123.54**	**30.69**	**72.65**	**98.06**	**59.60**	**617.25**	**617.25**
Net carrying amount as at 31 March 2025	**1,335.12**	**30.24**	**30.22**	**56.58**	**35.42**	**311.01**	**31.13**	**426.14**	**156.23**	**1,076.97**	**2,412.09**

The Group has not revalued its other intangible assets during the year.

a) Impairment testing of goodwill

The Group performs test for goodwill impairment at least annually on 31 March or if indicators of impairment arise, such as the effects of obsolescence, demand, competition and other economic factors or on occurrence of an event or change in circumstances that would more likely than not reduce recoverable value below its carrying amount. When determining the value in use, we utilize various assumptions, including operating results, business plans and projections of future cash flows.

For the purpose of impairment testing, goodwill is allocated to a cash generating unit, representing the lowest level with the Group at which goodwill is monitored for internal management purposes and which is not higher that the Group's operating segment. During the year, the management has reviewed the carrying value of its goodwill against the recoverable value of these cash generating units, using internal and external information available. The management believes that any reasonable possible change in the key assumptions would not cause the cash generating units' carrying amount ot exceed its recoverable amount.

Notes to the consolidated financial statements for the year ended 31 March 2025

b) Changes in the net carrying amount of goodwill is summarised as below:

Rs. million

	As at 31 March 2025	As at 31 March 2024
Opening balance	466.16	411.75
Additions (refer note 48)	871.08	69.53
Deletions (refer note 41)	(2.12)	(15.12)
Closing balance	**1,335.12**	**466.16**

For the purpose of impairment testing, goodwill is allocated to a cash generating unit, representing the lowest level with the Group at which goodwill is monitored for internal management purposes and which is not higher than the Group's operating segment.

c) The carrying amount of goodwill was allocated to the cash generating units as follows:

Rs. million

	As at 31 March 2025	As at 31 March 2024
SPR TGPEL Precision Engineering Limited (formerly TGPEL Precision Engineering Limited)	871.08	-
SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	67.41	69.53
SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	381.78	381.78
Others	14.85	14.85
	1,335.12	**466.16**

d) Impairment

An impairment test was carried out as at the balance sheet date, details of the test are as outlined below:

Rs. million

	As at 31 March 2025	As at 31 March 2024
Discount rate	13.6% - 22.6%	14.1 % - 20.7%
Growth rate	4.00%	4.00%
Number of years for which cash flows were considered*	4.25-5.25	5-6
Test result	**No impairment**	**No impairment**

*The management believes that the cash generating units have ability to forecast cash flows over a longer period.

Growth rates

The growth rates used are in line with the growth rate of the industry in which the entities operates and are consistent with internal / external sources of information.

Discount rates

The discount rates takes into consideration market risk and specific risk factors of the cash generating unit. The cash flow projections are based on the forecasts made by the management.

Sensitivity

The management believes that any reasonable possible changes in the key assumptions would not cause the cash generating unit's carrying amount to exceed its recoverable amount.

Notes to the consolidated financial statements for the year ended 31 March 2025

6. Right of use assets

Rs. million

Particulars	Right of use assets (refer note 37)			
	Land	Building	Motor car	Total
As at 31 March 2024				
Gross carrying amount				
Opening gross carrying amount	712.50	482.44	34.38	1,229.32
Additions	-	24.12	22.10	46.22
Addition pursuant to business combination (refer note 48 b)	74.99	-	-	74.99
Disposals	(1.92)	(16.63)	-	(18.55)
Closing gross carrying amount as at 31 March 2024	**785.57**	**489.93**	**56.48**	**1,331.98**
Accumulated amortisation				
Opening accumulated depreciation	26.97	229.27	1.46	257.70
Depreciation / amortisation charged during the year	9.91	60.02	9.06	78.99
Disposals	-	(14.45)	-	(14.45)
Closing accumulated depreciation as at 31 March 2024	**36.88**	**274.84**	**10.52**	**322.24**
Net carrying amount as at 31 March 2024	**748.69**	**215.09**	**45.96**	**1,009.74**
As at 31 March 2025				
Gross carrying amount				
Opening gross carrying amount	785.57	489.93	56.48	1,331.98
Additions	119.20	32.57	5.80	157.57
Addition pursuant to business combination (refer note 48 a)	822.08	-	-	822.08
Disposals	-	-	-	-
Closing gross carrying amount as at 31 March 2025	**1,726.85**	**522.50**	**62.28**	**2,311.61**
Accumulated amortisation				
Opening accumulated depreciation	36.88	274.84	10.52	322.24
Depreciation / amortisation charged during the year	13.46	48.53	13.51	75.50
Disposals	-	-	-	-
Closing accumulated depreciation as at 31 March 2025	**50.34**	**323.37**	**24.03**	**397.74**
Net carrying amount as at 31 March 2025	**1,676.51**	**199.12**	**38.25**	**1,913.87**

Note: The right of use assets (land) of Group is mortgaged as security against borrowings, refer note no. 17 and 21.

7. Investments

	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Rs. million	No. of shares	Rs. million
Non-current investments (Unquoted)				
Investment carried at Fair value through statement of Profit or Loss				
3,636,363 (previous year: 31 March 2024: 3,636,363) shares of Rs. 10 each fully paid up in Lalganj Power Private Limited	3636363	48.00	3,636,363	48.00
1,037,430 (previous year: 31 March 2024: Nil) shares of Rs. 10 each fully paid up in Fourth Partner Solar Power Private Limited	1037430	52.03	-	-
		100.03		**48.00**
Aggregate book value of unquoted investments		**100.03**		**48.00**

Notes to the consolidated financial statements for the year ended 31 March 2025

	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Rs. million	No. of shares	Rs. million
Aggregate value of impairment in value of investments		-		-
Current investments (Unquoted)				
Carried at fair value through Statement of Profit and loss				
Investment in Mutual fund (Liquid fund) Units of Face value of Rs 1000 each				
- 104.50 units (previous year: nil) SBI Overnight Fund Direct growth		0.43		-
- nil units (previous year: 18,656) SBI Liquid Fund Direct Growth		-		70.51
- 6,443.49 units (previous year: nil) UTI Overnight Fund -Direct Plan - Growth		22.52		-
- 26,085 units (previous year: 1,15,935) UTI Liquid Fund - Direct Plan Growth		110.89		458.86
- 44,858.23 units (previous year: 1,02,635) AXIS Liquid Fund - Direct Growth		129.35		275.44
- nil units (previous year: 98,579) HSBC liquid fund direct Growth		-		237.19
- nil units (previous year: 25,978) Sundaram Liquid Fund - Direct plan - LFZG		-		55.39
		263.19		**1,097.39**
Aggregate book value of unquoted investments		261.65		1,092.15
Aggregate market value of unquoted investments		263.19		1,097.39
Aggregate value of impairment in value of investments		-		-

8. Loans

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Non-current:		
Loan to employee*	120.00	-
	120.00	**-**
Current:		
Loan to employee*	30.00	-
	30.00	**-**

*Represents interest-free advance to Mr. Krishnakumar Srinivasan, MD & CEO, repayable in five equal yearly instalments in terms of the scheme of interest free advance upto Rs. 150 million approved in the shareholders' meeting dated 24 July 2024, in accordance with the provisions of Section 185 and other applicable provisions of Companies Act, 2013. (refer note 35)

Notes to the consolidated financial statements for the year ended 31 March 2025

9. Other financial assets

(At amortised cost excluding derivative instrument)

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Non-current:		
Deposits more than 12 months	1,010.79	1,350.86
Security deposits	226.19	209.70
Derivative instrument (refer note 42)	22.10	20.02
Call option asset*	59.00	41.00
	1,318.08	**1,621.58**
Current:		
Security deposits	7.83	5.87
Interest accrued on deposits	445.63	367.30
Derivative instrument (refer note 42)	19.68	7.95
Other receivables*	18.89	-
Deposits held as margin money	-	69.53
	492.03	**450.65**

*pertains to amount receivable from erstwhile shareholders of subsidiary.

10. Tax assets/ (liabilities) net

Current tax liabilities (net)

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Advance income tax	1,654.58	1,439.84
less: provision for income tax	(1,762.99)	(1,523.83)
Net	**(108.41)**	**(83.91)**

11. Other assets

(Unsecured, considered good unless stated otherwise)

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Non-current:		
i) Capital advances	147.53	242.19
ii) Export incentive receivable		
Unsecured, considered good	7.55	9.68
Unsecured, considered doubtful	4.30	4.66
	11.85	14.34
Provision for doubtful advances	(4.30)	(4.66)
	7.55	**9.68**
iii) Balance with government authorities	20.06	14.64
iv) Prepaid expenses	11.45	15.58
v) Other assets		
Unsecured, considered good*	86.13	182.53
Unsecured, considered doubtful	-	-
	272.72	**464.62**

*Other assets - non current includes Rs. 22.80 million (previous year: Rs. 182.32 million) paid under protest to government authorities and employee advances Rs. 63.32 (previous year: nil million). also, it includes nil million (previous year: Rs. 0.22 million) of surplus in gratuity contribution of subsidiary.

Notes to the consolidated financial statements for the year ended 31 March 2025

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Current:		
i) Advances other than capital advances recoverable in cash or in kind or for value to be received		
Unsecured, considered good	218.63	141.94
Unsecured, considered doubtful	15.83	15.65
	234.46	157.59
Provision for doubtful advances	(15.83)	(15.72)
	218.63	**141.87**
ii) Export incentive receivable		
Unsecured, considered good	25.87	13.84
Unsecured, considered doubtful	0.24	0.24
	26.11	14.08
Provision for doubtful advances	(0.24)	(0.24)
	25.87	**13.84**
iii) Balance with government authorities	135.72	182.78
iv) Prepaid expenses	173.56	56.22
v) Other assets		
Unsecured, considered good*	388.42	335.12
Unsecured, considered doubtful	3.83	3.83
	392.25	338.95
Provision for doubtful assets	(3.83)	(3.83)
	388.42	335.12
	942.20	**729.83**

* Other assets majorly includes Rs. 331.09 million (previous year Rs. 271.83 million) of surplus in Shriram Pistons & Rings Limited Gratuity Fund Trust.

12. Inventories

(valued at lower of cost or net realisable value)

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Raw material and components (includes in transit Rs. 23.17 million (previous year: Rs. 49.70 million))	1,439.27	1,016.40
Work-in-progress (includes in transit Rs. 2.72 million (previous year: Rs. 4.51 million))	1,131.89	991.17
Finished goods (includes in transit Rs. 98.22 million (previous year: Rs. 75.38 million))	1,723.65	1,498.15
Stock- in - trade (includes in transit Rs. 2.93 million (previous year: Rs.2.04 million))	48.86	29.61
Stores and spares (includes in transit Rs. 49.59 million (previous year: Rs 38.81 million))	335.45	329.70
Loose tools	44.04	45.49
	4,723.16	**3,910.52**

Notes:

i) The inventories are hypothecated as security against working capital loans from banks, refer note no 21.

ii) The value of inventories above is net off of write down of Rs. 196.57 million (previous year Rs. 151.00 million).

Notes to the consolidated financial statements for the year ended 31 March 2025

13. Trade receivables

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured*	5,837.19	4,760.55
Receivable which have significant increase in credit risk	32.79	36.54
Receivable credit impaired	5.21	0.88
	5,875.19	4,797.97
Less: Allowances for receivables which have significant increase in credit risk/credit impaired	(38.00)	(37.42)
	5,837.19	**4,760.55**

Notes:

i) The trade receivables are pledged as security against working capital loans from banks, refer note no 21.

ii) *No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member

iii) There are no trade receivables due from any related party.

Trade receivable ageing as on 31 March 2025 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	-	4,954.12	874.38	5.04	0.04	3.61	-	**5,837.19**
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	3.88	2.72	5.71	5.11	15.37	**32.79**
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	**-**
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-	**-**
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	5.21	**5.21**
Total	**-**	**4,954.12**	**878.26**	**7.76**	**5.75**	**8.72**	**20.58**	**5,875.19**

Notes to the consolidated financial statements for the year ended 31 March 2025

Trade receivable ageing as on 31 March 2024 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	-	3,961.22	763.59	25.32	10.42	-	-	**4,760.55**
(ii) Undisputed trade Receivables – which have significant increase in credit risk	-	-	4.70	2.00	11.24	3.91	14.69	**36.54**
(iii) Undisputed trade receivables – credit impaired	-	-	-		-	-	-	**-**
(iv) Disputed trade receivables– considered good	-	-	-		-	-	-	**-**
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-		-	-	-	**-**
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	0.88	**0.88**
	-	**3,961.22**	**768.29**	**27.32**	**21.66**	**3.91**	**15.57**	**4,797.97**

14. Cash and cash equivalents and other bank balances

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
i) Cash and cash equivalents		
Cash on hand	0.68	0.53
Balances with banks		
"- Deposits with original maturity less than 3 months"	-	280.00
- current accounts	420.08	254.37
	420.76	**534.90**
ii) Other bank balances		
- Unclaimed dividend account	1.21	1.24
- Unspent CSR account	2.53	2.62
- Deposits with original maturity more than 3 month but less than 12 months	9,018.08	7,122.03
- Deposits held as margin money*	1,073.40	958.93
	10,095.22	**8,084.82**
	10,515.98	**8,619.72**

* Margin money is deposited with bank majorly towards export packing credit and overdraft facility availed.

Notes to the consolidated financial statements for the year ended 31 March 2025

15. Equity share capital

	As at 31 March 2025	As at 31 March 2024
	Rs. million	Rs. million
Authorised Share Capital		
52,500,000 (previous year 52,500,000) equity shares of Rs. 10 each	525.00	525.00
3,000,000 (previous year 3,000,000) preference shares of Rs. 100 each	300.00	300.00
	825.00	**825.00**
a. Issued, subscribed and fully paid up share capital		
44,049,824 (previous year 44,049,824) equity shares of Rs. 10 each (refer note 53)	440.50	440.50
	440.50	**440.50**

b. Terms/rights attached to equity shares

The Holding Company has only one class of equity shares having face value of Rs. 10/- per share. Each holder of equity share is entitled to dividend and one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Holding Company after distribution of all preferential amount, in proportion to their shareholding.

c. Reconciliation of numbers of equity shares outstanding at the beginning and at the end of reporting year

	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Rs. million	No. of shares	Rs. million
Opening balance	44,049,824	440.50	22,024,912	220.25
Issued during the year (refer note 53)	-	-	22,024,912	220.25
Closing balance	**44,049,824**	**440.50**	**44,049,824**	**440.50**

d. Details of equity shareholders holding more than 5% shares in the Holding Company

	As at 31 March 2025		As at 31 March 2024	
	No. of shares	% shareholding	No. of shares	% shareholding
Equity shares of Rs. 10 each fully paid				
Riken Corporation	9,384,114	21.30	9,384,114	21.30
Luv D. Shriram and Meenakshi Dass*	6,007,362	13.64	6,667,862	15.14
Meenakshi Dass and Luv D. Shriram *	6,007,362	13.64	6,667,862	15.14
National Insurance Company Limited	1,995,833	4.53	2,483,005	5.64

* Shares held on behalf of Deepak Shriram Family Benefit Trust.

Notes to the consolidated financial statements for the year ended 31 March 2025

e) Details of Shares held by Promoters & Promoter Group at the end of the year

Name of promotor	As at 31 March 2025			As at 31 March 2024		
	No. of shares#	% shareholding	% Change during the year	No. of shares	% shareholding	% Change during the year
Meenakshi Dass & Luv D. Shriram*	6,007,362	13.64	(1.50)	6,667,862	15.14	-
Luv D. Shriram & Meenakshi Dass*	6,007,362	13.64	(1.50)	6,667,862	15.14	-
Meenakshi Dass	1,669,440	3.79	-	1,669,440	3.79	-
Nandishi Shriram	1,730	0.00***	-	1,730	0.00***	-
Luv D. Shriram and Kush D. Shriram**	4	0.00***	-	4	0.00***	-
Luv D. Shriram	10,900	0.02	-	10,900	0.02	-
Sarva Commercial Pvt. Ltd.	2,133,160	4.84	-	2,133,160	4.84	-
Sera Com Pvt. Ltd	1,900,794	4.32	-	1,900,794	4.32	-
Manisha Commercial Pvt. Ltd.	1,335,958	3.03	-	1,335,958	3.03	-
Shabnam Commercial Pvt. Ltd.	206,394	0.47	-	206,394	0.47	-
Kush D. Shriram	2	0.00***	-	2	0.00***	-

#During the year, the promoter i.e. Meenakshi Dass & Luv D. Shriram and Luv D. Shriram & Meenakshi Dass disposed off 13,21,000 (3%) equity shares in open market.

* Shares held on behalf of Deepak Shriram Family Benefit Trust.

** Shares held on behalf of NAK Benefit Trust.

*** Rounded off to zero.

f) i) Aggregate number and class of shares allotted as fully paid up by way of bonus shares during the period of five years immediately preceeding 31 March 2025:

	31 March 2025 No. of shares	31 March 2024 No. of shares	31 March 2023 No. of shares	31 March 2022 No. of shares	31 March 2021 No. of shares
Equity shares alloted fully paid up under bonus issue	-	22,024,912*	-	-	-

ii) Aggregate number of shares bought back during the period of five years immediately preceeding 31 March 2025:

	31 March 2025 No. of shares	31 March 2024 No. of shares	31 March 2023 No. of shares	31 March 2022 No. of shares	31 March 2021 No. of shares
Equity shares fully paid up buy back	-	-	-	350,000**	-

iii) There are no shares allotted as fully paid up pursuant to contracts without payment being received in cash during the period of five years immediately preceeding 31 March 2025.

*The Board pursuant to shareholder's approval in the annual general meeting held on 06 July 2023, allotted 2,20,24,912 equity shares as bonus share in the ratio of 1:1.

****During the year ended 31 March 2022, the Holding Company has concluded the buyback of 3,50,000 equity shares (at a price of Rs 1,020/- per equity share) as approved by the Board of Directors on 30 July 2021. This has resulted in a total cash outflow of Rs 449.7 million (including tax on buyback of Rs 82.4 million &

Notes to the consolidated financial statements for the year ended 31 March 2025

transaction cost of Rs 10.3 million). In line with the requirement of the Companies Act 2013, an amount of Rs 446.2 million has been utilized from retained earnings. Further, capital redemption reserve of Rs 3.5 million (representing the nominal value of the shares bought back) has been created as an apportionment from General reserve. Consequent to such buyback, the paid-up equity share capital has reduced by Rs 3.5 million.

g) Dividends

(i) The Board of directors, in its meeting held on 07 May 2025 has proposed final dividend of Rs 5 /-per equity share (face value of Rs. 10/- per equity share) to equity shareholders for the year ended 31 March 2025. This dividend together with the interim dividend of Rs. 5/- per equity share, aggregating total dividend to Rs. 10/- per equity share for the financial year 2024-25. The final dividend is subject to the approval of shareholders in Annual General Meeting of the Holding Company and same has not been recognised as liability in financial statements for the year ended 31 March 2025.

(ii) The Board of directors of the Holding Company, in its meeting of 13 May 2024, has proposed final dividend of Rs 5/-per equity share (face value of Rs. 10 per equity share) to equity shareholders for the year ended 31 March 2024. This dividend together with the interim dividend of Rs.5/- per equity share, aggregating total dividend to Rs. 10/- per equity share for the financial year 2023-24. The final dividend has been approved by the Shareholders in Annual General Meeting of the Holding Company held on 24 July 2024.

16. Other equity

Particulars	Reserves and surplus						Items of other comprehensive income	Equity component of compound financial instrument	Total	Non-Controlling interest
	Preference share redemption reserve	Capital redemption reserve	Revaluation reserve	Retained earnings	General reserve	Sub Total	Effective portion of cash flow hedge reserve			
Balance as at 31 March 2023	**388.58**	**3.50**	**97.27**	**1,300.00**	**13,264.63**	**15,053.98**	**0.33**	**-**	**15,054.31**	**449.81**
Profit for the year	-	-	-	4,425.55	-	4,425.55	-	-	4,425.55	(38.91)
Used for issuance of bonus shares	(220.25)	-	-		-	(220.25)	-	-	(220.25)	-
Other comprehensive income for the year	-	-	-	67.03	-	67.03	(1.62)	-	65.41	(0.27)
Reversal on disposal of revalued assets	-	-	(0.02)		-	(0.02)	-	-	(0.02)	-
Dividends (refer note 15 g)	-	-	-	(330.37)	-	(330.37)	-	-	(330.37)	-
Non-controlling interest on business combination during the year (refer note 48 b)	-	-	-		-	-	-	-	-	413.80
Change in ownership interest (refer note 51)	-	-	-	(124.37)	-	(124.37)	-	-	(124.37)	124.37
Equity component of compound financial instrument	-	-	-	-	-	-	-	28.72	28.72	-
Put liability recognised (refer note 23)	-	-	-	(82.73)	-	(82.73)	-	-	(82.73)	-
Transfer to general reserve	-	-	-	(3,955.11)	3,955.11	-	-	-	-	-
Balance as at 31 March 2024	**168.33**	**3.50**	**97.25**	**1,300.00**	**17,219.74**	**18,788.81**	**(1.29)**	**28.72**	**18,816.24**	**948.79**
Profit for the year	-	-	-	5,066.83	-	5,066.83	-	-	5,066.83	88.76
Other comprehensive income for the year	-	-	-	45.91	-	45.91	7.67	-	53.58	(1.02)
Reversal on disposal of revalued assets	-	-	(0.01)		-	(0.01)	-	-	(0.01)	-
Dividends (refer note 15 g)	-	-	-	(440.50)	-	(440.50)	-	-	(440.50)	-
Transfer to general reserve	-	-	-	(4,672.24)	4,672.24	-	-	-	-	-
Balance as at 31 March 2025	**168.33**	**3.50**	**97.24**	**1,300.00**	**21,891.98**	**23,461.04**	**6.38**	**28.72**	**23,496.14**	**1,036.53**

Notes to the consolidated financial statements for the year ended 31 March 2025

Nature and purpose of reserves:

Preference share redemption reserve

The Holding Company issued 10,00,000 nos. of preference shares in financial year 1997-98 of Rs. 100/- each and the same were redeemed during the financial years viz- 2002-03 and 2003-04. Further, the Holding Company issued 28,85,760 nos. of preference shares of Rs. 100/- each in financial year 2019-20 and same were redeemed in the financial year 2019-20. Accordingly, the preference share redemption reserve of Rs. 388.58 million was created. In the financial year 2023-24, Rs. 220.25 million has been used for issuance of bonus share and balance reserve amount is available for the purposes as specified under the provisions of the Companies Act, 2013.

Capital redemption reserve

The Holding Company bought back 3,50,000 equity shares in the financial year 2021-22 and created capital redemption reserve as per the applicable provision of the Companies Act, 2013. The reserve amount is available for the purposes as specified under the provisions of the Companies Act, 2013.

Revaluation reserve

In the Financial year 1995-96, the Holding Company had revalued its existing property, plant and equipment and created a revaluation reserve for the same.

Retained earnings

Retained earnings represents the net profit/(loss) retained by the Group for its core business activities. Also, includes re-measurement gains / (loss) on defined benefit plans.

General reserves

General reserves represents amount appropriated out of retained earnings.

Equity component of compound financial instrument

The Group has accounted equity component basis on difference between fair value of the instrument as a whole and fair value of the liability component as per Ind AS 32. This equity is the residuary interest in assets after deducting liabilities and initial carrying amount of compound instrument. No gain or loss recognised on initial recognition of the component.

Cash flow hedge reserve

Cumulative changes in the fair value of financial instruments designated as effective hedge are recognised in cash flow hedge reserve through OCI (net of taxes). Amounts recognised in the cash flow hedge reserve are reclassified to the statement of profit and loss when the underlying transaction occurs.

17. Borrowings

(At amortised cost)

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Non-current:		
Secured		
Term loans from banks (refer note i, ii and iv below)	2,239.72	2,432.83
Unsecured		
Loans (refer note iii below)	46.12	41.00
Deposits	-	164.51
Deposits from related parties (refer note 35)	-	10.78
	2,285.84	2,649.12
Less: Current maturities of non-current borrowings (refer note 21)	(548.98)	(403.34)
Less: Current maturities of deposits (refer note 21)	-	(174.80)
	1,736.86	**2,070.98**

Notes to the consolidated financial statements for the year ended 31 March 2025

i) Term loans from banks of Rs. 1,061.94 million (previous year: Rs. 1,332.85 million) are secured by way of first pari passu charge on all the movable and immovable fixed assets of the Holding Company, present and future.

ii) Term loans from banks of Rs. 200.00 million (previous year: Rs. Nil) are secured by way of first pari passu charge on all the movable and immovable property of SPR Engenious Limited, present and future and second pari passu charge on inventories and trade receivables, present and future.

iii) External commercial borrowings of SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited), step down subsidiary, amounting of Rs. 46.12 million (previous year: Rs. 41.00 million) are unsecured.

iv) Term loans from banks of Rs. 977.78 million (previous year: Rs. 1,100.00 million) are secured by way of exclusive charge on all current assets and movable and immovable fixed assets of the SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited), present and future. This term loan is further secured by corporate guarantee given by the Holding Company.

Amount outstanding		Repayment period from origination (years)	Installments outstanding		Effective Rate of Interest per annum %	
As at 31 March 2025 (Rs. million)	As at 31 March 2024 (Rs. million)		No.	Periodicity	As at 31 March 2025	As at 31 March 2024
260.00	340.00	6*	13	Quarterly	8.20	8.34
421.67	538.06	6*	13	Quarterly	8.10	8.25
380.27	454.79	6	15	Quarterly	7.80	7.99
200.00	0.00	6*	20	Quarterly	8.16	-
46.12	41.00	8	2	On Maturity	-	-
977.78	1,100.00	5.41*	16	Quarterly	7.52	7.75
2,285.84	**2,473.83**					

* The repayment period includes moratorium of 1 year from the date of origination

v) The long term deposits have been raised by Holding Company under Section 58A of the Companies Act, 1956 and Section 73 to 76 of the Companies Act, 2013 for maturity period of 2 and 3 years.

Amount outstanding		Repayment period from origination (years)	Rate of interest per annum %	
As at 31 March 2025 (Rs. million)	As at 31 March 2024 (Rs. million)		As at 31 March 2025	As at 31 March 2024
-	175.29	3	-	6.50-9.50
-	**175.29**			

vi) Disclosure under Para 44A as set out in IND AS on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

Changes in liabilities arising from financing activities

Rs. million

Particular	Outstanding balance as on 01 April 2024	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2025
Long term borrowing (including current maturities of long term debt)	2,473.83	(157.40)	(30.59)	2,285.84
Short-term borrowings	1,900.02	567.17	29.15	2,496.34
Deposits (including unclaimed matured deposits)	176.71	(176.71)	-	-
Lease liabilities (refer note 37)	316.73	(89.07)	67.95	295.61

Notes to the consolidated financial statements for the year ended 31 March 2025

Rs. million

Particular	Outstanding balance as on 01 April 2023	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as on 31 March 2024
Long term borrowing (including current maturities of long term debt)	1,461.72	(276.76)	1,288.87	2,473.83
Short-term borrowings	1,122.08	777.94	-	1,900.02
Deposits (including unclaimed matured deposits)	408.79	(232.08)	-	176.71
Lease liabilities (refer note 37)	342.88	(97.70)	71.55	316.73

18. Provisions

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Non-current:		
Provision for compensated absences (refer note 34)	346.40	306.51
Provision for gratuity (refer note 34)	42.29	13.64
Provision for other employee benefits	0.20	0.38
	388.90	**320.53**
Current:		
Provision for compensated absences (refer note 34)	165.81	150.86
Provision for gratuity (refer note 34)	6.26	0.40
Provision for other employee benefits	0.33	1.10
	172.40	**152.36**

19. Other liabilities

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Non-current:		
Others*	0.02	-
	0.02	-
Current:		
Revenue received in advance (refer note 24)	120.08	121.10
Statutory dues	336.63	340.14
Others**	107.32	90.80
	564.03	**552.04**

*Others includes Rs. 0.02 million (previous year: nil) of deficit in gratuity contribution of subsidiary.

**Others includes provision for superannuation contribution and unspent CSR amount.

Notes to the consolidated financial statements for the year ended 31 March 2025

20. a) Deferred tax liability (net)

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Deferred tax liability		
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	398.22	362.14
Defined benefit plans	56.25	43.48
Right to use assets	53.57	58.63
Expenses deductible on payment basis	(154.36)	(133.49)
Liability recognised on account of business combination (refer note 48)	331.87	133.35
Provision for doubtful debts/advances	(13.73)	(14.26)
Lease liability	(62.62)	(67.67)
Others	(5.46)	(8.71)
	603.74	**373.47**
Deferred tax assets		
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	(60.38)	(0.22)
Provision for doubtful debts/advances/others	1.32	-
Business losses and unabsorbed depreciation	114.14	23.11
Pre-incorporation expenses	2.82	2.82
Defined benefit plans	6.44	0.03
	64.34	**25.75**

b) Reconciliation of tax expenses and accounting profit

	As at 31 March 2025		As at 31 March 2024	
	Rs. million	%	Rs. million	%
Profit before tax	6,816.63		5,891.32	
Income tax expenses calculated at current tax rate	1,715.61	25.17%	1,482.73	25.17%
Add : Effect of expenses that are not deductible in determining taxable profit	(54.57)	-0.80%	21.95	0.37%
Income tax expenses recognised in statement of profit & loss	**1,661.04**	**24.37%**	**1,504.68**	**25.54%**

(c) Changes in deferred tax liabilities (net)

	As at 31 March 2024	Recognised in			As at 31 March 2025
		OCI	Goodwill	Profit / loss	
Items leading to creation of deferred tax liability					
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	362.14	-	-	36.08	398.22
Expenses deductible on payment basis	(133.49)	-	-	(20.87)	(154.36)

Notes to the consolidated financial statements for the year ended 31 March 2025

	As at 31 March 2024	Recognised in			As at 31 March 2025
		OCI	Goodwill	Profit / loss	
Provision for doubtful debts/advances	(14.26)	-	-	0.53	(13.73)
Right to use assets	58.63	-	-	(5.06)	53.57
Lease liability	(67.67)	-	-	5.05	(62.62)
Liability recognised on account of business combination (refer note 48)	133.35	-	243.50	(44.98)	331.87
Defined benefit plans	43.48	15.91	-	(3.15)	56.25
Others	(8.71)	2.58	-	0.67	(5.46)
Total deferred tax liability	**373.47**	**18.49**	**243.50**	**(31.73)**	**603.74**

	As at 31 March 2023	Recognised in			As at 31 March 2024
		OCI	Goodwill	Profit / Loss	
Items leading to creation of deferred tax liability					
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	361.60		-	0.54	362.14
Expenses deductible on payment basis	(130.57)	-	-	(2.93)	(133.49)
Provision for doubtful debts/advances	(13.78)	-	-	(0.47)	(14.26)
Liability recognised on account of business combination (refer note 48)	81.00	-	69.42	(17.07)	133.35
Defined benefit plans	20.91	22.57	-	-	43.48
Right to use assets	58.63	-	-	-	58.63
Lease liability	(67.67)	-	-	-	(67.67)
Others	(8.25)	(0.45)		-	(8.71)
Total deferred tax liability	**301.87**	**22.12**	**69.42**	**(19.93)**	**373.47**

(d) Changes in deferred tax asset (net)

	As at 31 March 2024	Recognised in			As at 31 March 2025
		OCI	Goodwill	Profit / loss	
Items leading to creation of deferred tax assets					
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	(0.22)	-	-	(60.16)	(60.38)
Business losses and unabsorbed depreciation	23.12	-	-	91.02	114.14
Pre-incorporation expenses	2.82	-	-	-	2.82
Provision for doubtful debts/advances	-	-	-	1.32	1.32
Defined benefit plans	0.03	0.93	-	5.48	6.44
Total deferred tax assets	**25.75**	**0.93**	**-**	**37.66**	**64.34**

Notes to the consolidated financial statements for the year ended 31 March 2025

	As at 31 March 2023	Recognised in			As at 31 March 2024
		OCI	Goodwill	Profit / Loss	
Items leading to creation of deferred tax assets					
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	(0.21)	-	-	(0.01)	(0.22)
Business losses and unabsorbed depreciation	17.90	-	-	5.22	23.12
Pre-incorporation expenses	2.82	-	-	-	2.82
Provision for doubtful debts/advances	1.80	-	-	(1.80)	-
Defined benefit plans	0.03	-	-	-	0.03
Total deferred tax assets	**22.34**	**-**	**-**	**3.41**	**25.75**

21. Short term borrowings

(At amortised cost)

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Secured		
Working capital loans from banks repayable on demand*	1,496.34	1,900.02
Current maturities of non-current borrowings (refer note 17)	548.98	403.34
Unsecured		
Working capital loans from banks**	1,000.00	-
Current maturities of deposits (refer note 17 and 64)	-	174.80
	3,045.32	**2,478.15**

* Working capital loans of Rs. 594.17 million (previous year: Rs. 1,050.02 million) are secured by way of first pari passu charge on inventories and trade receivables of the Holding Company, present and future and second pari passu charge on all the movable and immovable property of the Holding Company, present and future. Further, working capital loans of Rs. 902.17 million (previous year: Rs. 850.00 million) are secured by way of lien on the bank deposits of Rs. 902.17 million (previous year: Rs. 850.00 million) of the Holding Company.

**Working capital loans of Rs. 1,000.00 million (previous year: Rs. Nil) have been availed against undated cheques amounting to Rs. 1,000.00 million.

22. Trade payables

(At amortised cost)

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
- Total outstanding dues of micro enterprises and small enterprises	198.16	123.48
- Total outstanding dues of creditors other than micro enterprises and small enterprises	3,908.82	3,436.32
	4,106.98	**3,559.80**

Trade payable includes Rs. 0.57 million (previous year: Rs. 0.10 million) due to related parties (refer note 35)

Notes to the consolidated financial statements for the year ended 31 March 2025

Trade payables ageing schedule as on 31 March 2025 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	175.12	22.34	0.03	-	-	**197.49**
(ii) Disputed dues – MSME	-	-	0.64	0.03	-	-	**0.67**
(iii) Others	579.84	2,429.34	731.46	89.72	17.13	61.33	**3,908.82**
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	579.84	**2,604.46**	**754.44**	**89.78**	**17.13**	**61.33**	**4,106.98**

Trade payables ageing schedule as on 31 March 2024 is as under:

Rs. million

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	104.77	18.71	0.00	-	-	**123.48**
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	535.62	1,681.87	977.53	73.72	84.63	82.95	**3,436.32**
(iv) Disputed dues - Others	-	-	-	-		-	-
	535.62	**1,786.64**	**996.24**	**73.72**	**84.63**	**82.95**	**3,559.80**

23. Other financial liabilities

(At amortised cost)

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Non-current:		
Security deposits**	18.52	19.75
Put option liabilities - Derivative instrument	117.00	82.73
Employee related payables	0.40	2.27
	135.92	**104.75**
Current:		
Interest accrued but not due on borrowings	21.42	48.00
Unclaimed dividends*	1.21	1.23
Unclaimed matured deposits and interest accrued thereon* (refer note 64)	-	1.83
Security deposits**	129.99	111.59
Capital creditors	192.95	308.60
Derivative instrument (refer note 42)	0.49	0.55
Employee related payables	812.05	692.80
	1,158.11	**1,164.61**

*Not due for transfer to investor education and protection fund

**The security deposits have been received by the Holding Company from customers/vendors in the normal course of business.

Notes to the consolidated financial statements for the year ended 31 March 2025

24. Revenue from operations

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Sale of products	34,975.38	30,427.90
Other operating revenues		
- sale of scrap	402.04	350.31
- export benefits*	92.62	100.63
- others	28.30	14.41
	35,498.34	**30,893.25**

*Export benefits covers the following:

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Remission of duties and taxes on export products (RoDTEP)	23.73	22.13
Duty draw backs	68.89	78.50
	92.62	**100.63**

Timing of revenue recognition:

Goods transferred at a point in time	35,498.34	30,893.25

Contract balances

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Revenue received in advance (refer note 19)	120.08	121.10

Contract liabilities - Revenue received in advance

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Opening balance of contract liabilities	121.10	139.62
Less: Amount of revenue recognised against opening contract liabilities	1,174.92	920.01
Add: Addition in balance of contract liabilities for current year (net of refunds)	1,173.90	901.49
Closing balance of contract liabilities	**120.08**	**121.10**

The contract liabilities are settled during the normal course of business.

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Revenue from contract with customer as per the contract price	34,353.09	29,512.93
Adjustments made to contract price on account of :-		
Less: Discounts / price adjustments	622.29	914.97
Revenue from contract with customer	**34,975.38**	**30,427.90**

Performance obligation

The Group's performance obligation from sale of products is recognized upon transfer of control to customers.

Notes to the consolidated financial statements for the year ended 31 March 2025

25. Other income

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Interest income*		
- Bank deposits	811.11	647.31
- Others	13.85	13.56
Net gain on sale/fair valuation of current investment**	67.62	49.95
Gain on sale/disposal of property, plant and equipment / right of use of assets (land)	8.13	-
Foreign exchange gain (net)	95.07	112.91
Provision for doubtful debts and advances written back (net)	6.93	-
Other non-operating income***	111.28	28.98
	1,113.99	**852.71**

*Represents income on underlying assets carried at amortised cost

**Includes Rs. 1.54 million (previous year Rs. 4.20 million) on account of fair valuation of investments classified at FVTPL

*** Includes insurance claim received of Rs. 48.50 million (previous year nil million)

26. Cost of material consumed

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Cost of raw material and components consumed	13,785.01	11,104.37
Cost of packing material consumed	575.60	558.95
	14,360.61	**11,663.32**

27. (Increase) / decrease in inventories of finished goods , work-in-progress and stock-in-trade

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Inventories at the end of the year		
Work-in-progress	1,131.89	991.17
Finished goods	1,723.65	1,498.15
Stock-in-trade	48.86	29.61
	2,904.40	**2,518.93**
Inventories at the beginning of the year		
Work-in-progress	991.17	1,000.67
Finished goods	1,498.15	1,284.73
Stock-in-trade	29.61	44.61
	2,518.93	**2,330.01**
Add: Inventories aquired under business combination (refer note 48)		
Work-in-progress	17.70	56.70
Finished goods	25.11	70.41
	42.81	**127.11**
(Increase) / decrease in inventories of finished goods, work-in-progress and stock-in-trade	**(342.66)**	**(61.81)**

Notes to the consolidated financial statements for the year ended 31 March 2025

28. Employee benefits expense

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Salaries and wages	4,520.70	4,022.74
Contribution to provident and other funds	313.59	311.01
Staff welfare expenses	303.86	261.02
	5,138.15	**4,594.77**

29. Finance costs

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Interest expense on borrowings	308.68	266.48
Interest expense on lease liabilities (refer note 37)	29.59	29.36
Interest expense on income tax	2.05	2.64
Other borrowing costs	3.21	6.09
	343.53	**304.57**

30. Depreciation and amortisation expense

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
- Depreciation on property , plant and equipment (refer note 3)	936.11	851.69
- Depreciation on right of use assets (refer note 6)	75.50	78.99
- Amortisation of intangible assets (refer note 5)	185.19	146.39
	1,196.80	**1,077.07**

31. Other expenses

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Stores and spares consumed	2,480.59	2,315.42
Power and fuel	1,673.75	1,580.82
Job work charges	661.89	609.53
Freight outward expenses	431.70	408.95
Royalty	554.94	494.69
Rent (refer note 37)	29.04	23.57
Rates and taxes	26.93	15.57
Insurance	50.31	45.14
Sub-contracting expenses	525.43	377.82
Repair and maintenance		
-Plant and machinery	300.43	213.80
-Buildings	120.47	90.90
-Others	38.23	30.49
Directors' fees	8.50	9.90
Provision for doubtful debts and advances (net)	1.38	2.53

Notes to the consolidated financial statements for the year ended 31 March 2025

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Loss on sale / retirement of fixed assets (net)	-	3.28
Bad debts and advances written off	1.73	5.14
Corporate social responsibilities expenses	82.66	51.96
Travelling expenses	119.61	106.06
Legal and professional expenses	71.22	116.31
Miscellaneous expenses	1,061.83	898.70
	8,240.64	**7,400.58**

32. Earnings per share (EPS)

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Profit attributable to equity shareholders (Rs. million)	5,066.83	4,425.55
Weighted average number of equity shares (nos. million)	44.05	44.05
Earning per share		
- Basic (Rs.)	115.02	100.47
- Diluted (Rs.)	115.02	100.47

33. Research and development expenditure

The details of research and development expenditure incurred by the Group and included in the respective account heads are as under:

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Capital expenditure	46.06	21.59
Revenue expenditure	243.59	226.85
	289.65	**248.44**

The details of revenue expenditure incurred on research and development is as under:

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Stores and spares consumed	68.66	56.72
Salaries and wages	133.96	127.54
Contribution to provident and other funds	11.16	11.11
Staff welfare expenses	0.15	1.29
Power and fuel	4.07	3.56
Repair and maintenance		
- Plant and machinery	15.42	15.18
- Buildings	0.39	0.52
Loss on sale/retirement of fixed assets (net)	0.04	0.03
Travelling expenses	2.98	2.55
Miscellaneous expenses	6.76	8.35
	243.59	**226.85**

Notes to the consolidated financial statements for the year ended 31 March 2025

34. Employee benefits

The Group has classified the various employee benefits as under :

i) Defined contribution plans

The Group has recognised the following amount in the statement of profit and loss:

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Employers' contribution to provident fund	18.95	9.41
Employers' contribution to superannuation fund	38.55	26.96
Employers' contribution to state insurance fund	25.31	31.16
	82.81	**67.53**

ii) Defined benefit plans - Gratuity

In accordance with Ind AS 19, actuarial valuation of defined benefit plans was done for Gratuity and details of the same are given below :

Particulars	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Amount recognized in statement of Profit and loss A/c		
Current service cost	77.67	78.88
Past service cost	-	-
Net interest cost on defined benefit/ liability	(17.79)	(3.57)
Total expense recognised in the Statement of Profit and loss	**59.86**	**75.31**
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	1,204.52	1,130.85
Fair value of plan assets	1,487.03	1,388.86
Funded status [surplus / (deficit)]	282.52	258.01
Net asset / (liability) recognised in the Balance Sheet	282.52	258.01
Assets recognised in the Balance Sheet		
Other current asset (refer note 11)	331.09	271.83
Other non-current asset (refer note 11)	-	0.22
Liability recognised in the Balance Sheet		
Provison for gratuity (refer note 18)		
Non-current	42.29	4.42
Current	6.26	0.22
Other non-current liabilities (refer note 19)	0.02	-
Net asset / (liability) recognised in the Balance Sheet	**282.52**	**258.01**

Notes to the consolidated financial statements for the year ended 31 March 2025

Particulars	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Change in defined benefit obligations (DBO) during the year		
Present value of defined benefit obligations at beginning of the year	1,130.85	1,111.86
Acquisition pursuant to business combination	27.40	8.48
Current service cost	77.67	78.88
Interest cost	81.43	82.71
Remeasurement of defined benefit obligations (Actuarial (gains)/losses)		
- Changes in demographic assumptions	(5.42)	0.30
- Changes in financial assumptions	(32.91)	(64.69)
- Experience variance	(20.49)	(27.59)
- Past service cost	-	-
Benefits paid	(54.02)	(59.10)
Transfer in / (out)	-	-
Present value of DBO at the end of the year	**1,204.52**	**1,130.85**
Change in fair value of plan assets during the year		
Plan assets at beginning of the year	1,388.86	1,162.22
Expected return on plan assets	99.23	86.18
Contributions	50.55	201.69
Return on plan assets excluding amount recognised in net interest expenses	1.04	(2.41)
Benefits paid	(52.65)	(58.82)
Plan assets at the end of the year	1,487.03	1,388.86
Actual return on plan assets	**100.27**	**83.77**
Amount recognised in other comprehensive income		
Actuarial (gains)/ losses		
- Changes in demographic assumptions	(5.42)	0.29
- Changes in financial assumptions	(32.91)	(64.69)
- Experience variance	(20.49)	(27.59)
(Return)/loss on plan assets, excluding amount recognized in net interest expense	(1.04)	2.41
	(59.86)	**(89.58)**

Rs. million

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Actuarial assumptions for Gratuity		
Discount rate	6.50%-7.25%	7.15%-7.25%
Expected return on plan assets	7.22%	7.21%
Salary escalation	8%-10%	9.00%
Attrition	5 %-12 %, p.a.	5 %-10 %, p.a.
Mortality table used	IAL 2012-14	IAL 2012-14

Estimate of the future salary increase is based on factors such as inflation, seniority, promotions, demand and supply in employment market.

Notes to the consolidated financial statements for the year ended 31 March 2025

Particulars		Year ended 31 March 2025		Year ended 31 March 2024	
		Impact on Liability		Impact on Liability	
Sensitivity Analysis for significant actuarial assumptions		Increase Rs. million	Decrease Rs. million	Increase Rs. million	Decrease Rs. million
Discount rate	+100 basis points	(2.10)	81.79	-	83.41
	'-100 basis points	92.08	2.26	92.07	-
Salary Growth Rate	+100 basis points	92.75	-	91.57	-
	'-100 basis points	-	78.97	-	80.76
Attrition Rate	+100 basis points	-	16.73	-	23.20
	'-100 basis points	25.29	-	29.86	-
Mortality Rate	+100 basis points	-	3.06	-	2.20
	'-100 basis points	3.06	-	2.21	-

The sensitivity analysis has been determined based on possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis present above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be co-related.

Risk factors in actuarial assumptions

Interest rate risk: The plan exposes the group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Liquidity risk: This is the risk that the group is not able to meet the short term gratuity payouts. This may arise due to non availability of enough cash/ cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary escalation risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary use to determine the present value of obligation will have a bearing on the plan's liability.

Demographic risk: The Group has used certain mortality and attrition assumption in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Asset liability mismatching or market risk: The duration of the liability is longer compared to duration of assets, exposing the Group to market risk for volatilities/ fall in interest rate.

Investment risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

The following payments are expected future cash flows to the defined benefit plan (undiscounted in future years):

Particulars	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Year 1	133.12	117.74
Year 2 - 5 years	495.38	425.72
Year 6 - 10 years	568.89	576.59
More than 10 years	906.14	1,043.33

Regulatory framework/ governance / benefits under the plan:

The gratuity benefit is a post employment benefit. It is calculated at the terminal salary (Basic+VDA) at the time of separation of the employee according to the provisions of Payment of Gratuity Act, 1972. However, there is no restriction on the maximum amount of gratuity payable. The plan assets are managed by independent Board of Trustees, appointed by the Holding Company. The trust is a separate legal entity and is recognized by the Commissioner of Income Tax, under the provisions of Schedule IV the the Income Tax Act, 1961.

Notes to the consolidated financial statements for the year ended 31 March 2025

The Board of trustees manages the entire plan assets through Life Insurance Corporation of India, SBI Life Insurance, Bajaj Allianz Life Insurance Company , HDFC Life Insurance Co. and ICICI Prudential Life Insurance Under this policy, the eligible employees are entitled to receive gratuity payments upon their separation in lumpsum after deduction of necessary taxes. Total investment as on 31 March 2025 is Rs 1,484.22 million, Rs 817.92 million in traditional and Rs 666.30 million in ULIP plan. The fund managers do not disclose the composition of their portfolio investment in case of treditional plan, accordingly break-down of plan assets by investment type has not been disclosed, portfolio investment in case of ULIP plan are as under:

Paticulars	HDFC Life Insurance Co	ICICI Prudential Life Insurance
Debt Fund	72.15 %	77.72%
Equity Fund	22.25%	16.40%
Cash	5.60%	5.88%

Asset liability matching strategies

The Group has purchased insurance policy, which is a cash accumulation plan. Interest on the fund balances during the year is accumulated at the interest rate declared by insurance company at the end of the financial year. Gratuity claims are settled by the insurance company out of the fund, thus mitigating any liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of the liabilities. Thus, the group is exposed to movement in interest rate.

Effect of plan on entity's future cash flows

The Group has purchased insurance policies to provide for payment of gratuity to the employees. The contribution to the funds are made on a quarterly basis based on estimated shortfall in plan assets from liabilities. Expected contribution during the next annual reporting period is 0.70 milion (previous year Rs 0.74 million) Maturity profile of the defined benefit obligation based on weighted average duration is 10 Years.

The plan assets are managed by independent Board of Trustees through Life Insurance Corporation of India, SBI Life Insurance, Bajaj Allianz Life Insurance Company and HDFC Standard Life Insurance Co. Under this policy, the eligible employees are entitled to receive gratuity payments upon their separation in lumpsum after deduction of necessary taxes. The fund managers do not disclose the composition of their portfolio investment, accordingly break-down of plan assets by investment type has not been disclosed. Estimate of the future salary increase is based on factors such as inflation, seniority, promotions, demand and supply in employment market.

iii) Compensated absences

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Present value of DBO	501.77	457.37
Funded status [surplus / (deficit)]	(498.96)	(457.37)
Provision for compensated absences		
Non-current	346.40	306.51
Current	165.81	150.86

iv) Defined benefit plans

The Group has recognised the following amount in the statement of profit and loss:

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Employers' contribution to provident fund	179.34	177.09

Notes to the consolidated financial statements for the year ended 31 March 2025

v) Provident fund

In respect of certain employees, provident fund contributions are made to trust administered by the Holding Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Fund and Miscalleneous Provisions Act,1952 and shortfall, if any, shall be made good by the Holding Company. The rate is determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Holding Company has been higher in earlier years. As at 31 March 2025, the Holding Company has surplus in the trust administered by the Holding Company.

35. Related party disclosure

As per Indian Accounting Standard – 24 the Group's related parties and transactions with them are disclosed below :

A. List of related parties:

Key management personnel	Shri Pradeep Dinodia, Chairman
	Shri Hari Shanker Bhartia, Director
	Smt Meenakshi Dass, Director
	Shri Inderdeep Singh, Director -(ceased to be director w.e.f. close of business hours of 28 July 2024)
	Shri Krishnakumar Srinivasan, Managing Director & CEO
	Shri Luv Deepak Shriram, Whole Time Director
	Smt. Ferida Chopra, Director
	Shri Klaus Semke, Director
	Shri Alexandru Vladoi, (Alternate Director to Shri Klaus Semke)
	Shri Yasunori Maekawa, Director (w.e.f. 13 May 2024)
	Shigeto Muno (Alternative Director of Yasunori Maekawa)
	Shri. Shinichi Unno, Independent Director
	Smt. Tina Trikha, Independent Director (w.e.f. 13 May 2024)
Close members of the family of key management personnel	
Shri Krishnakumar Srinivasan	Smt. Sumati Krishnakumar
Shri Luv Deepak Shriram	Smt. Meenakshi Dass
	Shri Kush Deepak Shriram
	Smt Nandishi Shriram
	Smt. Arati Shriram
Entity over which , Key management personnel and their Close members of the family has significant influence or control	Shriram Veritech Solutions Pvt. Ltd.
	S.R. Dinodia & Co. LLP
	Manisha Commercial Pvt. Ltd
	Deepak C. Shriram & Sons HUF
	Sera Com Pvt. Ltd.
	Sarva Commercial Pvt. Ltd.
	Shabnam Commercial Pvt. Ltd.
	Pradeep Dinodia HUF
	Luv Arati and Associates (AOP)
	Deepak Shriram Family Benefit Trust
	NAK Benefit Trust
Post-employment benefit plan entity	Shriram Pistons & Rings Ltd Gratuity Fund Trust
	Shriram Pistons & Rings Ltd Superannuation Fund Trust
	Shriram Pistons & Rings Ltd. Officers' Provident Fund Trust

Notes to the consolidated financial statements for the year ended 31 March 2025

B. Related party transactions

(i) Transactions during the year

Rs. million

Particulars	Entity over which, Key management personnel and their Close members of the family has significant influence or control		Key management personnel (KMP)		Close members of the family of key management personnel		Post-employment benefit plan entity		Total	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Remuneration										
Short-term employees benefit	-	-	199.27	155.58	-	-	-	-	199.27	155.58
Post- employment benefit	-	-	2.67	2.48	-	-	-	-	2.67	2.48
Commission to directors	-	-	75.54	68.42	-	-	-	-	75.54	68.42
Legal expenses	1.44	1.44	-	-	-	-	-	-	1.44	1.44
Rent	1.95	1.85	1.44	1.44	0.96	0.96	-	-	4.35	4.25
Interest on deposits	0.17	0.35	-	0.98	0.40	1.75	-	-	0.57	3.08
Directors sitting fees	-	-	7.40	9.60	-	-	-	-	7.40	9.60
Dividend paid	182.52	141.84	16.80	12.60	0.02	0.01	-	-	199.34	154.45
Contribution paid	-	-	-	-	-	-	115.79	261.35	115.79	261.35
Deposits paid during the year	2.50	2.00	-	15.82	8.28	15.50	-	-	10.78	33.31
Purchase of material / stores	9.03	10.52	-	-	-	-	-	-	9.03	10.52
Loan given during year	-	-	150.00	-	-	-	-	-	150.00	-

(ii) Balances due from/to the related parties

Rs. million

Particulars	Entity over which, Key management personnel and their Close members of the family has significant influence or control		Key management personnel (KMP)		Close members of the family of key management personnel		Post-employment defined benefit plan entity		Total	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Deposits accepted	-	2.50	-	-	-	8.28	-	-	-	10.78
Interest accrued but not due	-	0.55	-	-	-	1.22	-	-	-	1.77
Amount recoverable	-	-	150.16	-	-	-	-	-	150.16	-
Amount payable	0.57	0.10	187.48	167.99	-	-	15.95	14.46	204.00	182.55

Note :

i) The deposit from related parties have been accepted on same rate of interest as applicable for other unrelated parties.

ii) The amount outstanding from related parties are unsecured and will be settled in cash.

iii) The transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions.

iv) With respect to amount recoverable of Rs. 150.00 million (previous year: nil million), refer note 8

Notes to the consolidated financial statements for the year ended 31 March 2025

36. Information pursuant to clause 3 (vii) (b) of the Companies (Auditor's Report) Order, 2020 in respect of disputed dues, not deposited as at 31 March 2024, pending with various authorities:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates (various years covering the period)	Amount Involved* (Rs. million)	Amount Unpaid (Rs. million)	Amount Paid (Rs. million)
Income Tax Act, 1961	Income tax	Appellate authority up to Commissioner (appeal) level	2003-04, 2004-05, 2019-20, 2020-21, 2022-23	173.38	110.27	63.11
Income tax Act, 1961	Income tax	Appellate authority up to Commissioner level	Assessment Year 2017-18	21.05	0.00	7.84
Income tax Act, 1961	Income tax	Appellate authority up to Commissioner level	Assessment Year 2018-19	6.10	6.10	0.00
Income tax Act, 1961	Income tax	Appellate authority up to Commissioner level	Assessment Year 2020-21	4.63	4.63	0.00
Finance Act, 1994	Service Tax	Custom, Excise & Service Tax Appellate Tribunal (CESTAT)	2012-13, 2013-14, 2014-15, 2015-16	20.80	20.29	0.51
Central Sales Tax Act, 1956	Sales Tax	Appellate Tribunal	2015-16	1.82	1.41	0.41
Sales Tax Laws	Sales Tax / Value Added Tax	Appellate Tribunal	2010-11, 2011-12, 2012-13, 2015-16, 2016-17	57.57	37.31	20.25
Goods & Service Tax Act 2017	Goods & Services Tax	Appellate authority up to Commissioner (appeal) level	2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23	122.03	121.29	0.74
Goods and Services Tax Act 2017	Goods and Services tax Act 2017	GST-Tribunal, Jaipur.	From July 2017 to March 2021	1.94	1.76	0.18
Goods and Services Tax Act 2017	Goods and Services tax Act 2017	GST Commissioner (Appeals), Jaipur	April 2020 to March 2021	0.16	0.16	0.00
Goods and Services Tax Act 2017	Goods and Services tax Act 2017	GST Commissioner (Appeals), Jaipur	July 2017 to September 2023	62.96	62.96	0.00

* amount as per demand orders including interest and penalty wherever quantified in the order.

37. Leases :

The movement in lease liabilities during the year ended 31 March 2025 is as follows:

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Balance at the beginning	316.73	342.88
Additions	38.36	46.22
Deletions	-	(4.03)
Finance cost accrued during the period	29.59	29.36
Payment of lease liabilities	(89.07)	(97.70)
Balance at the end	**295.61**	**316.73**

Notes to the consolidated financial statements for the year ended 31 March 2025

The break-up of current and non-current lease liabilities as of 31 March 2025 is as follows:

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Current	57.07	55.86
Non-current	238.54	260.87
Total	**295.61**	**316.73**

The details of contractual maturities of lease liabilities on an undiscounted basis:

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Less than one year	81.59	82.32
One to five years	244.54	242.79
More than five years	211.84	249.02
Total	**537.97**	**574.13**

The following are the amounts recognised in Statement of Profit or Loss:

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Depreciation expense of right of use assets	75.50	78.99
Interest expenses on lease liabilities	29.59	29.36
Expense relating to other than non-current leases (included in other expenses) #	29.04	23.57
Total amount recognised in Statement of Profit or Loss	**134.13**	**131.92**

Lease payments not recognised as a liability

The Group has elected not to recognise a lease liability for current leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The Group does not have any liability to make variable lease payments for the right-to-use the underlying asset recognised in the financials.

Total cash outflow for short-term leases for the year ended 31 March 2025 is Rs. 29.04 million (previous year Rs. 23.57 million).

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised on balance sheet:

	Right of use assets taken under lease (nos.)	Range of remaining term (years)	Average remaining lease term (years)
Building			
- 31 March 2025	39	1 to 9.75	10
- 31 March 2024	40	1 to 10.75	11
Land			
- 31 March 2025	17	1.75 to 99	96
- 31 March 2024	16	2.75 to 99	97
Car			
- 31 March 2025	58	4 to 5	4
- 31 March 2024	58	4 to 5	4

The Group does not face a significant liquidity risk with regard to its lease liabilities to meet the obligations related to lease liabilities as and when they fall due.

Notes to the consolidated financial statements for the year ended 31 March 2025

38. Segment reporting

The Group is engaged in a single segment i.e. the business of "automotive components" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the Group's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

Geographical information in respect of sale of products from customers is given below

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Domestic Sale	30,132.32	25,245.10
Export Sale	4,843.06	5,182.80
	34,975.38	**30,427.90**

Notes:

a) There are no non-current assets domiciled outside India.

b) During financial year ended 31 March 2025, revenue from one customer amounting to Rs. 4,575.25 million (previous year Rs. 3,798.31 million) represents 10% or more of the Group's revenue from operations.

39. Contingent liabilities

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Claims against the Group disputed and not acknowledged as debts		
- Sales tax*	59.39	94.56
- Service tax*	20.80	19.79
- Goods & Services Tax*	187.09	74.33
- Income tax*	33.20	37.17
- Employees' State Insurance#	28.83	28.83
- Labour matters#	326.44	300.40
- Commercial matters	26.71	25.84

All the above matters are subject to legal proceedings in the ordinary course of business. In the opinion of the management, the legal proceedings, when ultimately concluded, will not have a material effect on operations or the financial position of the Group.

* refer note 36

this pertains to the legal proceedings related to labour cases.

40. Capital and other commitments

		As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
i)	Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	342.13	582.41

ii) Outstanding export obligation required to be fulfilled under the EPCG scheme against import of some machines/ capital equipments is as under:

a) average export obligation of Rs 3,407.61 million every year (previous year Rs. 2,618.30 million every year) to be fulfilled till the time specific export obligation is discharged and

b) specific export obligation of Rs. 179.95 million (previous year Rs. 67.30 million) to be fulfilled over a period of maximum up to 5 years. Customs duty saved against outstanding export obligation is Rs. 24.34 million (previous year Rs.11.13 million).

Notes to the consolidated financial statements for the year ended 31 March 2025

The Group has other commitments, for purchase / sales orders which are issued after considering requirements as per operating cycle for purchase / sale of goods, employee benefits including union agreements in normal course of business. The Group does not have any other long term commitments or material non-cancellable contractual commitments, which may have a material impact on the financial statements.

41. Investment in subsidiary

i) The Holding Company has made investment in equity shares of the following subsidiary (intermediary) for further investment in equity shares of ultimate beneficiary as under:

During the year ended 31 March 2025

Rs. million

Name of the intermediary	Date of investment into intermediary	Amount of investment in intermediary	Name of the ultimate beneficiary	Date of investment by intermediary into ultimate beneficiary	Amount of investment by intermediary into ultimate beneficiary
SPR Engenious Limited			SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	12 April 2024	(0.07)*
				19 April 2024	(2.05)*
	19 December 2024	2,176.23	SPR TGPEL Precision Engineering Limited (formerly TGPEL Precision Engineering Limited)	24 December 2024	2176.23

* Represents reduction in investment value of SPR Engenious Limited in SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) on account of amount received from selling shareholders of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) towards post-closing adjustments in terms of Share Purchase Agreement as under:

- Rs. 0.07 million from Takahata Precision Co. Limited, Japan
- Rs. 2.05 million from Takahata Precision Pte. Limited, Singapore

During the year ended 31 March 2024

Rs. million

Name of the intermediary	Date of investment into intermediary	Amount of investment in intermediary	Name of the ultimate beneficiary	Date of investment by intermediary into ultimate beneficiary	Amount of investment by intermediary into ultimate beneficiary
SPR Engenious Limited	10 October 2023	675.09	SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	16 October 2023	675.09
	05 February 2024	700.00	SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	01 February 2024	(15.12)*
				01 March 2024	700.00

Notes to the consolidated financial statements for the year ended 31 March 2025

* Rs. 55.0 million were held back in financial year 2022-23 to be paid as per terms of the Share Purchase Subscription Agreement. On 01 February 2024, Rs. 39.88 million paid to sellers after adjustment of Rs. 15.12 million on account of closing adjustments as per terms of Share Purchase Subscription Agreement. This has resulted into reduction in investment of SPR Engenious Limited in SPR EMF Innovations Private Limited ((formerly EMF Innovations Private Limited) by Rs. 15.12 million

ii) With regard to the investments made during the financial year 2023-24 and financial year 2024-25, the Group has complied with the relevant provisions of the applicable laws.

42. Fair value measurement

i) The carrying value and fair value of financial instruments by categories as of 31 March 2025 are as under:

Rs. million

Particulars	Financial assets/ (financial liabilities) at fair value through profit or loss (FVTPL)	Total carrying value	Total fair value
Financial assets/(financial liabilities)			
Investment in mutual fund	263.19	263.19	263.19
Investments in other equity instruments	100.03	100.03	100.03
Bank deposits	1,010.79	1,010.79	1,010.79
Security deposits	226.19	226.19	226.19
Derivatives instruments			
- Cross Currency Swap*	31.92	31.92	31.92
- Forward contracts*	9.86	9.86	9.86
- Forward contracts*	(0.49)	(0.49)	(0.49)
- Put option liabilities (refer note 23)#	(117.00)	(117.00)	(117.00)
- Call option asset (refer note 9)#	59.00	59.00	59.00
Total	**1,583.49**	**1,583.49**	**1,583.49**

The carrying value and fair value of financial instruments by categories as of 31 March 2024 are as under:

Rs. million

Particulars	Financial assets/ (financial liabilities) at fair value through profit or loss (FVTPL)	Total carrying value	Total fair value
Financial assets/(financial liabilities)			
Investment in mutual fund	1,097.39	1,097.39	1,097.39
Investments in other equity instruments	48.00	48.00	48.00
Bank deposits	1,350.86	1,350.86	1,350.86
Security deposits	209.70	209.70	209.70
Derivatives instruments			
- Cross currency swap*	26.18	26.18	26.18
- Forward contracts*	1.79	1.79	1.79
- Forward contracts*	(0.55)	(0.55)	(0.55)
- Put option liabilities (refer note 23)#	(82.73)	(82.73)	(82.73)
- Call option asset (refer note 9)#	41.00	41.00	41.00
Total	**2,691.64**	**2,691.64**	**2,691.64**

*Change in fair value is recognised in other comprehensive income.

#Change in fair value is recognised in statement of profit and loss account.

Notes to the consolidated financial statements for the year ended 31 March 2025

ii) Fair value hierarchy

The Group uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3.

Level 1 - This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - This level includes financial assets and liabilities, measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2025:

Rs. million

Particulars	As at 31 March 2025	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3#
Financial assets/(liabilities)				
Investment in mutual fund*	263.19	-	263.19	-
Investments in other equity instruments**	100.03	-	-	100.03
Bank deposits	1,010.79	1,010.79	-	-
Security deposits***	226.19	-	-	226.19
Derivatives instruments				
- Cross currency swap****	31.92	-	31.92	-
- Forward contracts****	9.86	-	9.86	-
- Forward contracts****	(0.49)	-	(0.49)	-
- Put option liabilities (refer note 23)#	(117.00)		(117.00)	-
- Call option asset (refer note 9)#	59.00		59.00	-
Total	**1,583.49**	**1,010.79**	**246.48**	**326.22**

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2024:

Rs. million

Particulars	As at 31 March 2024	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3#
Financial assets/(liabilities)				
Investment in mutual fund*	1,097.39	-	1,097.39	-
Investments in other equity instruments**	48.00	-	-	48.00
Bank deposits	1,350.86	1,350.86	-	-
Security deposits***	209.70	-	-	209.70
Derivatives instruments				

Notes to the consolidated financial statements for the year ended 31 March 2025

- Cross currency swap****	26.18	-	26.18	-
- Forward contracts****	1.79	-	1.79	-
- Forward contracts****	(0.55)	-	(0.55)	-
- Put option liabilities (refer note 23)#	(82.73)		(82.73)	-
- Call option asset (refer note 9)#	41.00		41.00	-
Total	**2,691.64**	**1,350.86**	**1,083.08**	**257.70**

There is no transfer between the fair value measurement hierarchy amongst level 1, level 2 and level 3 during the year ended 31 March 2024 and 31 March 2025.

* The fair values are based on net asset value

** This is the transaction price as at which the investment was made. In accordance with the Share Holder's Agreement ('SHA') executed between the Holding Company and Lalganj Power Private Limited, Fourth Partner Solar Power Private Limited (investees), the holding company of the investees or any of their nominees have an obligation to buy-back the aforementioned equity shares held by the Holding Company for an amount, at the price at which the shares were acquired by the Holding Company.

***The fair value is based on the valuation model which considers the present value of expected payment, discounted using a risk-adjusted discount rate. The own non-performance risk was assessed to be insignificant.

*** The fair values are based on exchange rates as at the reporting date.

The fair valuation of put option liabilities and call option asset is based on the simulated EBITDA using Monte Carlo simulation.

iii) Financial assets and financial liabilities that are measured at amortised cost are :

Rs. million

Particulars	Carrying amount	
	As at 31 March 2025	As at 31 March 2024
Financial assets		
Trade and other receivables	5,837.19	4,760.55
Cash and cash equivalents	420.76	534.90
Other bank balances	10,095.22	8,084.82
Loans	150.00	-
Other financial assets	472.36	442.70
Financial liabilities		
Borrowings	4,782.18	4,549.13
Trade payables	4,106.98	3,559.80
Lease Liabilities	295.61	316.73
Other financial liabilities	1,411.52	1,352.63
The carrying value of above financial assets and financial liabilities approximate its fair value.		

43. Capital management

The Group's objective for managing capital is to ensure as under:

i) Maintain Group's ability to continue as a going concern

Notes to the consolidated financial statements for the year ended 31 March 2025

ii) Maintain a strong credit rating and debt equity and capital gearing ratio in order to support business and maximize the shareholders' value.

iii) Maintain an optimal capital structure.

iv) Compliance of financial covenants under the borrowing facilities.

The Group manages its capital structure keeping in view of:

i) Compliance of financial covenants under the borrowing facilities

ii) Changes in economic conditions

In order to achieve this overall objective of capital management, amongst other things, the Group aims to ensure that it meets financial covenants attached to the borrowings facilities defining capital structure requirements, where breach in meeting the financial covenants may permit the lender to call the borrowings.

There have been no breach in the financial covenants of any borrowing facility in the current period. There is no change in the objectives, policies or processes for managing capital over previous year.

To maintain the capital structure, the Group may vary the dividend payment to shareholders.

For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Holding Company and net debt includes total liabilities, comprising interest bearing loans and borrowings, excluding any dues to subsidiaries or group companies less cash and cash equivalents.

The Group monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts adjusted with available cash and bank balances divided by total capital (equity attributable to owners of the Group.

The funding requirement of the Group is primarily met through internal accruals, leading to a negative net debt position as under:

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Borrowings (refer note 17 and 21) (including current maturities	4,782.18	4,549.13
Less: cash and bank balances (refer note 9* and 14)	11,526.77	9,970.58
Net debt	**Nil**	**Nil**

*represents amount of bank deposit more than 12 months.

44. Financial risk management

The Group's principal financial liabilities, other than derivatives, comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, cash and cash equivalents and loans that it derives directly from its operations. The Group also holds FVTPL current investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk, liquidity risk, commodity price risk and other price risk. The Group's senior management oversees the management of these risks under appropriate policies and procedures.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risks, foreign exchange risk and interest rate risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL current investments and derivative financial instruments.

a) Foreign exchange risk

The Group is exposed to foreign exchange risk through its sales and purchases from overseas in foreign currencies mainly in USD, EURO, JPY and CNY. The Group holds derivative financial instruments such as foreign

Notes to the consolidated financial statements for the year ended 31 March 2025

exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Group's operations may be adversely affected as the rupee appreciates/ depreciates against these currencies.

Sensitivity

Each percentage point change in the foreign exchange rates has an impact on profit before tax / total equity as follows:

	Profit before tax		Total equity	
	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
Exchange rate - increase by 1%	(3.21)	(2.61)	(2.40)	(1.95)
Exchange rate - decrease by 1%	3.21	2.61	2.40	1.95

The Group's foreign currency risk from financial instruments are as under

(Foreign currency million)

Particulars	Currency	As at 31 March 2025			As at 31 March 2024		
		Total	Hedged	Net	Total	Hedged	Net
Trade and other receivables	USD	10.98	7.96	3.02	9.44	7.43	2.01
	EUR	3.57	3.57	0.00	5.50	3.93	1.57
	JPY	8.92	-	8.92	14.20	0.75	13.45
	GBP	0.15	0.13	0.02	0.24	-	0.24
Trade payables	USD	1.82	-	1.82	1.02	-	1.02
	EUR	0.13	-	0.13	1.17	-	1.17
	CNY	2.97	-	2.97	1.89	-	1.89
	JPY	608.32	-	608.32	462.64	-	462.64
	THB	6.96	-	6.96	19.88	-	19.88
	GBP	0.01	-	0.01	-	-	-
Advance to suppliers	USD	-	-	-	0.30	-	0.30
Capital advance	USD	0.02	-	0.02	0.10	-	0.10
	CNY	-	-	-	3.19	-	3.19
Capital creditors	USD	0.03	-	0.03	-	-	-
	CNY	1.62	-	1.62	145.68	145.68	-
Borrowings	USD	4.93	4.93	-	6.45	6.45	-
	SGD	0.99	0.99	-	0.99	0.99	-

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the Group enters into cross currency interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

Notes to the consolidated financial statements for the year ended 31 March 2025

The Group is not exposed to any significant /material interest rate risk.

Sensitivity

Variable interest rate loan are exposed to interest rate risk, impact on profit before tax / total equity may be as follows:

Rs. million

	Profit before tax		Total equity	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Interest rate - increase by 0.50%	23.91	22.75	17.89	17.02
Interest rate - decrease by 0.50%	(23.91)	(22.75)	(17.89)	(17.02)

ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Credit risk is managed by Group's established policy, procedures and control relating to customer credit risk management.

Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. The Group uses expected credit loss model to assess the impairment loss and makes an allowance for doubtful debts using expected credit loss model on case to case basis.

Movement in the expected credit loss allowance

Rs. million

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Balance at beginning of the year	37.42	32.21
Add: Provided / (reversed) during the year	(5.55)	2.53
Add: Acquired on account of business combination (refer note 48)	3.70	3.54
Less: Amount written off	2.43	(0.86)
Balance at the end of the year	**38.00**	**37.42**

The ageing analysis of trade receivables (net) before adjustment of expected credit loss provision of Rs. 39.30 million (31 March 2024: Rs. 37.42 million) as of the reporting date is as follows:

Age Bracket	Not due	Less than 6 months	6 month to 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2025							
Trade receivable (gross)	4,954.12	878.26	7.76	5.75	8.72	20.58	5,875.19
Less: Allowance for expected credit loss	-	3.88	2.72	5.71	5.11	20.58	38.00
Trade receivable (net)	4,954.12	874.38	5.04	0.04	3.61	-	5,837.19

Notes to the consolidated financial statements for the year ended 31 March 2025

Age Bracket	Not due	Less than 6 months	6 month to 1 year	1-2 years	2-3 years	More than 3 years	Total
Expected credit loss %	**-**	**0.44%**	**35.10%**	**99.30%**	**58.59%**	**100.00%**	**0.65%**
As at 31 March 2024							
Trade receivable (gross)	3,961.22	768.29	27.32	21.66	3.91	15.57	4,797.97
Less: Allowance for expected credit loss	-	4.70	2.00	11.24	3.91	15.57	37.42
Trade receivable (net)	3,961.22	763.59	25.32	10.42	-	-	4,760.55
Expected credit loss %	**-**	**0.61%**	**7.30%**	**51.90%**	**100.00%**	**100.00%**	**0.78%**

iii) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans. Liquidity risk is managed by Group's established policy and procedures made under liquidity risk management framework. The Group manages liquidity risk by maintaining adequate reserves, banking facilities, and reserve borrowing facilites,by continuously forecast and actual cash flows, and by matching the maturity profile of financial assets and liabilities.

The financial assets and liabilities have baeen appropriately disclosed in financial statements as current and non current portion. The maturity period of non current financial assets and financial liabilities ranges between 1 to 5 years except lease liabilities where period may vary as per respective lease agreements.

	As at 31 March 2025 Rs. million	As at 31 March 2024 Rs. million
On demand		
- Borrowings	2,496.34	1,900.02
Less than 1 year		
- Borrowings	548.98	578.13
-Trade payables	4,106.98	3,559.80
-Lease liabilities	57.07	55.86
-Other financial liabilities	1,158.11	1,164.61
More than 1 year		
- Borrowings	1,736.86	2,070.98
-Lease liabilities	238.54	260.87
-Other financial liabilities	135.92	104.75
Details of undrawn facilities of the Group from banks and financial institutions (fund based as well as non fund based):		
Total sanctioned working capital limits from Banks	6,459.50	4,399.50
Utilized working capital limit	2,961.81	2,489.05
Unutilized working capital limit	3,497.69	1,910.45

iv) Commodity risk

Commodity price risk is the financial risk on the Group's profitability upon fluctuations in the prices of commodities since they are primarily driven by external market forces. Sharp fluctuations in commodity prices can affect production

costs, product pricing and earnings. This price volatility makes it imperative for the Group to manage the impact of commodity price fluctuations across its value chain to effectively manage its financial performance and profitability. To mitigate these risks, the Group employs multiple levers, each chosen based on a cost benefit analysis and the extent of exposure to commodity price fluctuations. These include assessing the feasibility of passing any adverse fluctuations onto customers through price increases, continuously engaging in cost optimisation initiatives and process improvement exercises. The Group also explores options such as localizing imports/ implementing global sourcing strategies to ensure most cost effective sourcing. Based on the assessment by the Group and after factoring the ability to optimise costs and pass on prices to customers, no individual commodity is expected to have a significant adverse impact on the financial performance/profitability beyond its materiality threshold approved by the Board.

v) Other price risks

The Group has deployed its surplus funds into various financial instruments including mutual funds. The Group is exposed to NAV (net asset value) price risks arising from investments in these funds. The value of these investments is impacted by movements in interest rates , liquidity and credit quality of underlying securities.

45. Hedge accounting

i) Forwards contracts

The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place.

Details of forward foreign currency contracts outstanding at the end of reporting period are as under:

(Foreign currency million)

Outstanding contracts	Currency	As at 31 March 2025	As at 31 March 2024
Maturing not later than one month	USD/INR	2.24	3.03
	EUR/INR	1.05	1.68
	EUR/USD	0.35	0.15
	JPY/INR	-	146.43
	JPY/USD	102.85	32.81
	GBP/INR	0.06	-
Maturing later than one month and not later than three months	USD/INR	4.55	4.41
	EUR/INR	1.58	2.26
	EUR/USD	1.03	0.41
	JPY/USD	200.00	225.00
	GBP/USD	0.07	0.08
Maturing later than three month and not later than one year	USD/INR	1.17	-
	EUR/INR	1.69	-
	EUR/USD	0.24	-
	JPY/USD	25.00	100.00
	SGD/INR	0.99	1.00

The Group has designated foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The related hedge transactions for balance lying in cash flow hedging reserve are expected to occur and reclassified in the statement of profit or loss within 6 months.

Hedge effectiveness is determined at the inception of the hedge relationship. To ensure that an economic relationship exists between the hedged item and hedging instrument, the Group matches the critical terms of the hedged items and hedging instruments.

Notes to the consolidated financial statements for the year ended 31 March 2025

ii) Reconciliation of cash flow hedge reserve are as under:

Rs. million

Particulars	As at 31 March 2025	As at 31 March 2024
Assets /(liabilities)		
Balance at the beginning of the year	(1.29)	0.33
Gain / (loss) recognised in other comprehensive income during the year	10.24	(2.07)
Tax impact on above	(2.57)	0.45
Balance at the end of the year	**6.38**	**(1.29)**

46. The Group does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.

47. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund (IEPF) by the Group during the year.

48. Business Combinations

a) SPR TGPEL Precision Engineering Limited

Pursuant to share purchase agreement dated 10 December 2024, the Holding Company acquired 100% shareholding in SPR TGPEL Precision Engineering Limited (formerly TGPEL Precision Engineering Limited) (SPR TGPEL) through its wholly-owned subsidiary, SPR Engenious Limited (SEL).

With this, SPR TGPEL has become a step-down subsidiary of the Holding Company deals in precision injection moulded parts, fits into Group's strategy of inorganic growth and qualifies as a business as defined in IND AS 103. The valuation models used in the fair valuation of assets and liabilities acquired in the business combination included discounting cash flow method, multi period excess earning method etc using assumptions such as future cash flows, contributory asset charges, discount rate applied, etc., which are subject to high estimation uncertainty. The amounts recognised in respect of the identifiable assets acquired and liabilities assumed by SEL on acquisition date are as set out in the table below:

Rs. million

Particulars	Amount
Fair value of consideration transferred	
Purchase Consideration	2,176.23
Total (A)	**2,176.23**
Assets aquired	
a) Property, plant and equipment	476.37
b) Capital work-in-progress	0.42
c) Right of use assets	822.08
d) Other intangible assets	162.79
e) Trade receivables	194.60
f) Inventories	66.30
g) Other assets	34.10
Total assets acquired (i)	**1,756.66**
Liabilities assumed	

Notes to the consolidated financial statements for the year ended 31 March 2025

Rs. million

Particulars	Amount
a) Borrowings	-
b) Deferred tax liabilities	243.50
c) Trade payables	64.50
d) Other liabilities	143.51
Total liabilities assumed (ii)	**451.51**
Net assets acquired (B) (i-ii)	**1,305.15**
Goodwill (A-B)	**871.08**

This fair value was estimated using following key model inputs:

i) Assumed discount rate of 13.6%

ii) Assumed long-term sustainable growth rates of 4%

SPR TGPEL has contributed Rs.373.21 million to Group's revenue from operation and Rs. 65.47 million to the Group's profit for the year ended 31 March 2025. Further, SPR TGPEL would have contributed Rs. 1,292.53 million to Group's revenue from operations and Rs. 161.59 million to the Group's profit for the year ended 31 March 2025 if the acquisition date for the business combination had been as of the beginning of the annual reporting period.

b) SPR Takahata Precision India Private Limited

On 08 February 2023 has approved acquisition of majority stake of 75% in SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) (SPR TPIPL) through SPR Engenious Limited (SEL), its wholly-owned subsidiary. The definitive agreements in connection with the acquisition transaction were executed on 09 February 2023.

Further, on 14 October 2023, the Board of Directors of the Company approved the proposal for amending the Share Purchase Agreement (SPA) and Shareholders' Agreement (SHA) in the form of addendums to the SPA and SHA dated 09 February 2023 with respect to acquisition of 62% stake in SPR TPIPL through SEL. The acquisition of SPR TPIPL has been completed on 16 October 2023. With this, SPR TPIPL has become a step-down subsidiary of the Company deals in precision injection moulded parts, fits into Group's strategy of inorganic growth and qualifies as a business as defined in IND AS 103. The valuation models used in the fair valuation of assets and liabilities acquired in the business combination included discounting cash flow method, multi period excess earning method etc using assumptions such as future cash flows, contributory asset charges, discount rate applied, etc., which are subject to high estimation uncertainty. The amounts recognised in respect of the identifiable assets acquired and liabilities assumed by SEL on acquisition date are as set out in the table below:

Rs. million

Particulars	Amount
Fair value of consideration transferred	
Purchase Consideration	675.10
Total (A)	**675.10**
Assets aquired	
a) Property, plant and equipment	1,228.64
b) Capital work-in-progress	12.16
c) Right of use assets	74.99

Notes to the consolidated financial statements for the year ended 31 March 2025

Rs. million

Particulars	Amount
d) Other intangible assets	267.08
e) Trade receivables	429.10
f) Inventories	256.05
g) Cash and cash equivalent	310.35
h) Call option asset	41.00
i) Other assets	122.82
Total assets acquired (i)	**2,742.19**
Liabilities assumed	
a) Borrowings	1,320.10
b) Deferred tax liabilities	69.42
c) Trade payables	169.48
d) Other liabilities	163.82
Total liabilities assumed (ii)	**1,722.82**
Net assets acquired (B) (i-ii)	**1,019.37**
Non-controlling interest (C)	413.80
Goodwill (A-B+C)	**69.53**

The non-controlling interest (38% ownership interest in SPR TPIPL) recognised at the acquisition date was measured by reference to the fair value of the non-controlling interest and amounted to Rs. 413.80 million. This fair value was estimated using following key model inputs:

i) Assumed discount rate of 17.7%

ii) Assumed long-term sustainable growth rates of 4%

iii) Assumed adjustments because of the lack of control or lack of marketability that market participants would consider when estimating the fair value of the non-controlling interests in SPR TPIPL.

SPR TPIPL has contributed Rs.1,230.05 million to Group's revenue from operation and Rs. 80.61 million to the Group's profit for the year ended 31 March 2024. Further, SPR TPIPL would have contributed Rs. 2,675.08 million to Group's revenue from operations and Rs. 129.94 million to the Group's profit for the year ended 31 March 2024 if the acquisition date for the business combination had been as of the beginning of the annual reporting period.

i) Derivative instruments - Call option assets and Put option liabilities

The Share Purchase Agreement executed between SEL and minority shareholders of SPR TPIPL also includes a call option with SEL to buy remaining stake in SPR TPIPL from the minority shareholders and a corresponding put option with the minority shareholders to ask SEL to purchase their shares during specified periods mentioned therein. Acordingly, the Group has recognised a put liability aggregating to Rs. 82.73 million and call option asset amounting to Rs. 41.00 million with respect to such options in accordance with the requirements of Ind AS 32, Financial Instruments Presentation.

Notes to the consolidated financial statements for the year ended 31 March 2025

49. Interests in other entities

The Group's subsidiaries at 31 March 2025 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Place of business / Country of incorporation	Ownership interest held by the group	Ownership interest held by non-controlling interests
SPR Engenious Limited	India	100%	-
SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	India	*66.42%	33.58%
SPR Takahata Precision India Private. Limited (formerly Takahata Precision India Private Limited)	India	**62%	38.00%
SPR TGPEL Precision Engineering Limited (formerly TGPEL Precision Engineering Limited)	India	***100%	-

The Group is engaged in a single segment i.e. the business of "automotive components"

The following table summarises the information relating to each of the Group's subsidiaries that has non-controlling interests, before any intra group eliminations:

As at 31 March 2025

Rs. million

Particulars	SPR EMF Innovations Private Limited	SPR Takahata Precision India Private Limited
Non-controlling interest ('NCI') (%)	33.58%	38.00%
Non-current assets	684.53	1,445.60
Current assets	460.08	1,085.66
Non-current liabilities	71.84	733.39
Current liabilities	151.35	557.47
Net assets	921.42	1,240.41
Net assets attributable to NCI	309.41	471.36
Revenue	204.20	2,951.58
Profit after tax	(37.00)	359.53
Other comprehensive income	0.10	(2.76)
Total other comprehensive income	(36.90)	356.77
Profit allocated to NCI	(12.42)	136.62
OCI allocated to NCI	0.03	(1.05)
Cash (used in) / generated from operating activities	(121.16)	413.52
Cash generated from / (used in) investing activities	110.54	(330.69)
Cash used in financing activities	(4.05)	(204.43)
Net increase in cash and cash equivalents	(14.67)	(121.59)

Notes to the consolidated financial statements for the year ended 31 March 2025

As at 31 March 2024

Rs. million

Particulars	SPR EMF Innovations Private Limited	SPR Takahata Precision India Private Limited
Non-controlling interest ('NCI') (%)	33.58%	38%
Non-current assets	241.04	1,304.91
Current assets	881.61	982.63
Non-current liabilities	70.44	965.61
Current liabilities	93.89	438.27
Net assets	958.32	883.66
Net assets attributable to NCI	321.80	335.79
Revenue	128.87	1,230.05
Profit after tax	(57.37)	80.61
Other comprehensive income	(0.22)	(0.47)
Total other comprehensive income	(57.59)	80.14
Profit allocated to NCI	(28.07)	30.63
OCI allocated to NCI	(0.09)	(0.18)
Cash (used in) / generated from operating activities	(88.26)	455.74
Cash used in investing activities	(573.82)	(28.05)
Cash generated from / (used in) financing activities	669.69	(312.84)
Net increase in cash and cash equivalents	7.61	114.85

50. Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 is given below:

For the year ended 31 March 2025

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Rs. million	As % of consolidated profit or loss	Rs. million	As % of consolidated profit or loss	Rs. million	As % of consolidated profit or loss	Rs. million
Holding								
Shriram Pistons & Rings Limited	72.94	24,090.86	93.76	4,978.10	104.09	54.71	93.86	5,032.81
Subsidiary								
SPR Engenious Limited	17.86	5,898.14	(1.07)	(56.55)	0.70	0.37	(1.05)	(56.18)
Stepdown Subsidiary								
SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	2.79	921.44	(0.70)	(37.00)	0.19	0.10	(0.69)	(36.90)

Notes to the consolidated financial statements for the year ended 31 March 2025

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Rs. million	As % of consolidated profit or loss	Rs. million	As % of consolidated profit or loss	Rs. million	As % of consolidated profit or loss	Rs. million
SPR Takahata Precision India Private. Limited (formerly Takahata Precision India Private Limited)	3.76	1,240.43	6.77	359.54	(5.26)	(2.76)	6.65	356.78
SPR TGPEL Precision Engineering Limited (formerly TGPEL Precision Engineering Limited)	2.66	878.89	1.23	65.47	0.28	0.15	1.23	65.62
Sub total	**100.00**	**33,029.76**	**100.00**	**5,309.56**	**100.00**	**52.56**	**100.00**	5,362.12
Adjustment arising out of consolidation		(8,056.59)		(153.97)		-		(153.97)
Total		**24,973.17**		**5,155.59**		**52.56**		**5,208.15**

For the year ended 31 March 2024

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Rs. million	As % of consolidated profit or loss	Rs. million	As % of consolidated profit or loss	Rs. million	As % of consolidated profit or loss	Rs. million
Holding								
Shriram Pistons & Rings Limited	78.62	19,498.57	99.61	4,467.64	101.02	65.79	99.64	4,533.43
Subsidiary								
SPR Engenious Limited	13.95	3,459.13	(0.13)	(5.99)	0.05	0.03	(0.13)	(5.96)
Stepdown Subsidiary								
SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)	3.86	958.32	(1.28)	(57.37)	(0.34)	(0.22)	(1.27)	(57.59)
SPR Takahata Precision India Private. Limited (formerly Takahata Precision India Private Limited)	3.56	883.66	1.80	80.61	(0.73)	(0.48)	1.76	80.13
Sub total	**100.00**	**24,799.68**	**100.00**	**4,484.89**	**100.00**	**65.12**	**100.00**	**4,550.01**
Adjustment arising out of consolidation		(4,594.15)		(98.25)		-		(98.25)
Total		**20,205.53**		**4,386.64**		**65.12**		**4,451.76**

51. The Holding Company had infused Rs. 700.00 million on 01 March 2024 through subscription of equity share capital of SPR Engenious Limited (SEL), wholly owned subsidiary of the Holding Company. Further, SEL had infused Rs. 700.00 million by way of subscription to the equity share capital of SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited) (SPR EMFI), step down subsidiary of the Holding Company. Accordingly, the shareholding of SEL in SPR EMFI has increased from 51.00% to 66.42%. Accordingly, SEL became the material subsidiary in terms of Regulation 24(1) of SEBI Listing Regulations 2015.

Notes to the consolidated financial statements for the year ended 31 March 2025

52. The Holding Company has infused Rs. 2,300.00 million and Rs 200.00 million on 19 December 2024 and 04 March 2025 respectively (previous year: Rs. 2,300.00 millions) in SPR Engenious Limited (SEL), its wholly owned subsidiary (WOS) by way of subscription to equity share capital through right issue with the purpose of diversifying its product portfolio in the areas related to the automotive segment.

The Holding Company has invested Rs. 2176.23 million on 24 December 2024 by way of acqusition of 100% stake in the equity share capital of SPR TGPEL Precision Engineering Limited (formerly TGPEL Precision Engineering Limited) (SPR TGPEL) pursuant to Share Purchase Agreement dated 10 December 2024 through SEL, its wholly owned subsidiary. With this investment, SPR TGPEL has become the step down subsidiary of the Holding Company.

53. The Board of the Holding Company pursuant to shareholder's approval in the annual general meeting held on 06 July 2023, allotted 22,024,912 equity shares as bonus share in the ratio of 1:1 to those shareholders who held shares as on record date i.e. 24 July 2023 in the previous year ended 31 March 2024.

54. During the year ended 31 March 2024, Holding Company had acquired 62 % of equity share in SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited). Further, the Holding Company had provided following corporate guarantee in favour of the bank to provide additional security against term loan granted by the bank:

(Rs. million)

		Balance as at 31 March 2025		Balance as at 31 March 2025	
Name of the step down subsidiary	**Name of the bank**	**Amount of loan**	**Amount of guarantee**	**Amount of loan**	**Amount of guarantee**
SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	HDFC Bank	977.78	977.78	1,100.00	1,100.00

55. The Holding Companys' 4,40,49,824 equity shares with face value of Rs. 10 each, fully paid up has been listed and admitted for trading on Bombay Stock Exchange (BSE) w.e.f. Tuesday, 04 February 2025 under the scrip code 544344.

56. The Holding Company has entered into a Share Purchase Agreement with existing shareholders of Karna Intertech Private Limited ('Karna') to acquire 100% equity stake in Karna for Rs. 500 lacs. Accordingly, the Holding Company has acquired 100% equity shareholding in Karna on 01 April 2025 and Karna has become a wholly owned subsidiary of the Holding Company.

57. The Group has no transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

58. No proceedings have been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

59. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

60. The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

61. Following are the details of Funds received by SPR Engenious Limited (wholly-owned subsidiary of the Holding Company) for futher investment to the Ultimate Beneficiaries:

(Rs. million)

Name of the funding party	Date of receipt of funds from funding party	Amount funded by funding party (in Rs million)	Name of ultimate beneficiary	Date of investment into ultimate beneficiary	Amount invested in ultimate beneficiary
Shriram Pistons & Rings Limited			SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)	12 April 2024	(0.07)*
				19 April 2024	(2.05)*
	19 December 2024	2,176.23	SPR TGPEL Precision Engineering Limited (formerly TGPEL Precision Engineering Limited)	24 December 2024	2,176.23

Notes to the consolidated financial statements for the year ended 31 March 2025

*Represents reduction in investment value of SPR Engenious Limited in SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) on account of amount received from selling shareholders of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) towards post-closing adjustments in terms of Share Purchase Agreement as under:

- Rs. 0.07 million from Takahata Precision Co. Limited, Japan
- Rs. 2.05 million from Takahata Precision Pte. Limited, Singapore

62. (a). The Group is not declared wilful defaulter by any bank or financial institution or government or any government authority.

62. (b). The Group has complied with the number of layers as prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

63. In terms of SEBI circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021, as amended by SEBI circular No. SEBI/HO/DDHS/DDHS-RACPOD1/ P/CIR/2023 /172 dated October 19, 2023, the Group does not meet all the prescribed conditions to qualify as a 'Large Corporate', hence, not classified as a Large Corporate as on 31 March 2025. Therefore, the disclosure requirements as per the said circulars are not applicable.

64. The Holding Company had been accepting deposits under Fixed Deposit Scheme as per Section 58A of the Companies Act, 1956 and Section 73 to 76 of the Companies Act, 2013 (refer note 17 and 21). During the year, the Holding Company has fully repaid the deposits including the unclaimed matured deposits. As on 31 March 2025, there are no outstanding deposits under the Fixed Deposit Scheme and the Holding Company has discountinued the Fixed Deposit Scheme.

65. The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall only use such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such change was made and ensuring that the audit trail cannot be disabled. The new requirement is applicable with effect from the financial year beginning on 1 April 2023. During the year, the audit trail (edit log) at the application level for the accounting software were operating for all relevant transactions recorded in the software. Further, the audit trail (edit logs) feature for any direct changes made at the database level was enabled w.e.f. 24 January 2025 for the accounting software SAP ECC used for maintenance of books of accounts of the Holding Company and one subsidiary ('SPR Engenious Limited'). SPR EMF Innovations Private Limited (step-down subsidiary) and SPR Takahata Precision India Private Limited (step-down subsidiary) has used an accounting software for maintaining their respective books of account and the audit trail (edit log) feature was enabled and were operating for all relevant transactions recorded in the software . Further, SPR TGPEL Precision Engineering Limited (formerly TGPEL Precision Engineering Limited) (SPR TGPEL) is using SAP Business-1 for maintaining their respective books of account, which includes audit trail (edit log) feature for recording all relevant transactions at the application level. However, the software retains log of only 99 modifications made in master data at the application level. Also, the audit trail feature was not enabled at the database level to log any direct data changes by this subsidiary.

66. Figures of previous year have been regrouped/ reclassified, wherever necessary, to correspond with the figures of the current period. The impact of such regrouping/ reclassification is not material to these consolidated financial statements.

67. The consolidated financial statements were approved for issued by the Board of Directors of the Holding Company on 07 May 2025.

The accompanying summary of accounting policies and significant explanatory notes form an integral part of these consolidated financial statements.

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Arun Tandon
Partner
Membership no. 517273

For and on behalf of the Board of Directors

Pradeep Dinodia
Chairman
DIN: 00027995

Tina Trikha
Director
DIN: 02778940

Pankaj Gupta
Company Secretary

Prem Prakash Rathi
Chief Financial Officer

Krishnakumar Srinivasan
Managing Director & CEO
DIN : 00692717

Luv D. Shriram
Whole - Time Director
DIN : 00051065

Place: New Delhi
Date : 07 May 2025

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Awards and Accolades

In recognition of SPRL's illustrious performance during the year, the company received a number of prestigious awards and accolades.

Appreciation Award
Hyundai Motor India Ltd.

Regional Supplier Samrat Award
Ashok Leyland Ltd.

Best Delivery Award
Escorts Kubota Ltd.

Superior Performance Award in Part Design & Development for 2024-25
Maruti Suzuki India Ltd.

Supplier Collaboration Initiatives Award
Maruti Suzuki India Ltd.

Overall Performance Award for 2024-25
Maruti Suzuki India Ltd.

Best Supplier Award
Swaraj Tractors

Cost Leadership & Performance Award
ZF India Pvt. Ltd.

Best Delivery Performance Award
Cummins India Ltd.

Award for Delivery Managment
Honda Motorcycle and Scooter India Pvt. Ltd.

Super Platinum Award - Quality
Bajaj Auto Ltd.

These awards are just a representation of the 36 accolades won by the Company over the year across various categories.

Supplier Quality Improvement Award
Kirloskar Oil Engines Ltd.

Supplier Excellence Award
Mahindra & Mahindra

Platinum Award for Consistent Quality Performance
Ashok Leyland Ltd.

Quality Award
EEPC India

Gold Award - Excellence in ESG
ACMA

Gold Award - Excellence in Safety
ACMA

Platinum Award - Excellence in Exports
ACMA

Platinum Award - Excellence in Manufacturing
ACMA

Platinum Award - Excellence in NPDDL
ACMA

Top India's 500 Value Creators Award for 2024
Dun & Bradstreet India

These awards are just a representation of the 36 accolades won by the Company over the year across various categories.

SPR Engenious Limited (SEL)

SPR Engenious Limited, a wholly-owned subsidiary of Shriram Pistons & Rings Limited (SPRL), pioneer in India's auto component manufacturing sector. Established by SPRL to spearhead diversification and innovation, SEL is poised to drive future growth initiatives. Committed to expanding both existing and new product lines, SPRL aims to enrich its portfolio. Recently, SPRL, via SEL, finalized strategic acquisitions of SPR EMF Innovations Pvt. Ltd., SPR Takahata Precision India Pvt. Ltd. and SPR TGPEL Precision Engineering Ltd. These endeavors underscore SPRL's dedication to evolution and excellence, cementing its position as an industry leader committed to innovation and expansion.

SPR-emf INNOVATIONS
Moving The Future

SPR EMF Innovations Pvt. Ltd. (SPR EMFI)

SPR EMF Innovations Pvt. Ltd., is a young Technology company Co-founded by engineering entrepreneurs with substantial R&D and manufacturing operations in Coimbatore, Tamil Nadu, and Singapore, thereby providing localized e-mobility solutions to customers in India and abroad.

Shriram Pistons & Rings Ltd (SPRL) is now the majority shareholder in SPR EMFI post the majority share acquisition in SPR EMFI through its wholly owned subsidiary SPR Engenious Ltd. With the majority Shareholding, SPRL aims to expand its presence in Electric Vehicles (EV) space to supply Electric Powertrain Components such as Motors and Controllers ranging from 250W ~ 300KW covering all vehicle segments from Two - wheelers, Three - wheelers, Passenger Vehicles, Commercial Vehicles, and Buses to both Domestic and Global clients in the Automotive and Industrial sectors.

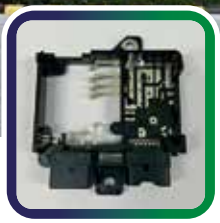
Hub Motor

Mid-Drive Motor

Controller

SPR Takahata Precision India Pvt. Ltd. (SPR TPIPL)

SPR Takahata Precision India Pvt. Ltd. (SPR TPIPL), is the leading precision engineering company engaged in the manufacturing of precision moulded/assembled parts and precision metal moulds located at Neemrana, Rajasthan. Shriram Pistons & Rings Limited (SPRL) acquired (through its subsidiary, SPR Engenious Ltd.) a majority stake in SPR Takahata Precision India Pvt. Ltd. With this strategic investment, SPRL aims to diversify its product portfolio beyond the current Pistons, Rings, Engine Valves, and EV components to precision plastic injection moulded parts. With the operations & technology support of Takahata Japan to SPR TPIPL, we will be able to service the Domestic and Global customers requiring precision moulded parts both for Automotive & Industrial applications. The product range of SPR TPIPL includes Power Window Parts, Wiper Motor Parts, Door Lock Parts, Seat Belt Parts, Junction & Relay Box, Fuel Pump Module, Throttle Sensor, ECU, Steering Part, Headlamp Unit Assembly, Case Parts, Starter Motor Parts, Steering Parts, Air/C Parts, Brake Unit Assembly and Accelerator Pedal Sensor. Major customers include: Hitachi Astemo, Denso, Mitsubishi Electric, etc.



Housing ECU - Steering System Part

Head Lamp Level Actuator

Gear Assy. - Steering System Part

Subtank - Fuel System Part

Flange - Fuel System Part

Supporter Fuel Tube - Fuel System Part

SPR TGPEL

SPR TGPEL Precision Engineering Limited (SPR TGPEL)

Shriram Pistons & Rings Limited (SPRL), a leader in India's auto component industry, has acquired 100% shareholding in SPR TGPEL Precision Engineering Limited (originally Timex Group Precision Engineering Limited) through its wholly-owned subsidiary, SPR Engenious Limited (SEL). This strategic acquisition marks SPRL's entry into high-precision mould-making and injection-moulded components, strengthening its capabilities across diverse industries.

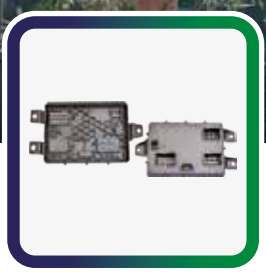
Founded in 2008, SPR TGPEL Precision Engineering Limited is a leading manufacturer of:

- High-Precision Injection Moulds: Designing and producing state-of-the-art moulds for various applications.
- Injection-Moulded Components: Serving industries like automotive, electrical, consumer goods, and medical, both in India and internationally.

SPR TGPEL operates out of two advanced manufacturing facilities in Noida, Uttar Pradesh, equipped with cutting-edge technology for in-house tool design, development, and production of complex, high-precision components. The company primarily supplies these precision products to OEMs and other automotive companies.

As a trusted name in precision engineering, SPR TGPEL now stands at the forefront of SPRL's journey to redefine innovation and excellence in the automotive and allied sectors.

Flange



Fuse Box Cover

Encapsulations

CRB Housing

Gears

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Tel.: +91 11 2331 5941 Fax: +91 11 2331 1203 E-mail: compliance.officer@shrirampistons.com Website: www.shrirampistons.com
CIN: L29112DL1963PLC004084 PAN: AAACS0229G

COMPANIES IN GROUP

Pistons, Pins, Rings & Engine Valves

SHRIRAM PISTONS & RINGS LTD.

Electric Motors & Controllers

SPR-emf INNOVATIONS
Moving The Future

Plastic Precision Injection Moulding Components & Moulds

SPR TAKAHATA

SPR TGPEL

Die Casting and Metal Forming tools

SEL SPR Engenious Ltd.

Walker Chandiok & Co LLP
L 41, Connaught Circus,
Outer Circle,
New Delhi – 110 001
India
T +91 11 45002219
F +91 11 42787071

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Financial Results of the Company pursuant to the Regulation 33 and Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Shriram Pistons & Rings Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Shriram Pistons & Rings Limited ('the Company') for the quarter ended 31 December 2025 and the year to date results for the period 01 April 2025 to 31 December 2025, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations') read with SEBI Circular SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated 22 May 2024.

2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 and Regulation 52(4) of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Financial Results of the Company pursuant to the Regulation 33 and Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 and Regulation 52(4) of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Rahul Kool
Partner
Membership No.: 425393
UDIN: 26425393YYSUWE3252

Place: New Delhi
Date: 02 February 2026

o/c

SHRIRAM PISTONS & RINGS LIMITED

Regd. Office: 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi - 110 001

Tel.: +91 11 2331 5941, Website: www.shrirampistons.com

E-mail: compliance.officer@shrirampistons.com, CIN: L29112DL1963PLC004084

Statement of standalone unaudited financial results for the quarter and nine months ended December 31, 2025

(Amount in Rs. Million except per share details)

	Particulars	Standalone					
		3 months ended December 31, 2025	3 months ended September 30, 2025	3 months ended December 31, 2024	Period ended December 31, 2025	Period ended December 31, 2024	Year ended March 31, 2025
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	8,651	8,730	7,696	25,737	23,247	31,795
II	Other income	309	249	260	824	793	1,032
III	**Total income (I+II)**	8,960	8,979	7,956	26,561	24,040	32,827
IV	**Expenses**						
	a) Cost of materials consumed	3,514	3,314	3,035	10,173	8,878	12,084
	b) Purchase of stock-in-trade	197	214	203	619	602	859
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(101)	93	(268)	(246)	(416)	(365)
	d) Employee benefits expense	1,211	1,265	1,181	3,751	3,577	4,776
	e) Finance costs	90	59	56	213	188	248
	f) Depreciation and amortization expenses	226	223	217	666	643	865
	g) Other expenses	2,046	2,013	1,917	6,065	5,746	7,680
	Total expenses	7,183	7,181	6,341	21,241	19,218	26,147
V	**Profit before exceptional item and tax (III-IV)**	1,777	1,798	1,615	5,320	4,822	6,680
VI	**Exceptional item** (refer note 4)	237	-	-	237	-	-
VII	**Profit before tax (V-VI)**	1,540	1,798	1,615	5,083	4,822	6,680
VIII	Tax expense						
	Current tax	413	467	407	1,338	1,229	1,708
	Deferred tax	(22)	(8)	5	(43)	0	(6)
	Total tax expense	391	459	412	1,295	1,229	1,702
IX	**Profit for the period / year (VII-VIII)**	1,149	1,339	1,203	3,788	3,593	4,978
X	**Other comprehensive income**						
	A (i) Items that will not be reclassified to profit or loss						
	a) Remeasurements of the post employment defined benefit plans	(6)	12	14	3	40	63
	b) Income tax relating to items that will not be reclassified to profit or loss	2	(2)	(4)	(1)	(10)	(16)
	B (i) Items that will be reclassified to profit or loss						
	a) Fair value change of cash flow hedge	17	(17)	8	(40)	2	10
	b) Income tax relating to items that will be reclassified to profit or loss	(5)	5	(2)	10	(0)	(3)
	Other comprehensive income	8	(2)	16	(28)	32	64
XI	**Total comprehensive income for the period / year (IX+X)**	1,157	1,337	1,219	3,760	3,625	5,032
XII	Paid up equity share capital (Face value of share - Rs 10 each)	440	440	440	440	440	440
XIII	Other equity (excluding revaluation reserves)						23,553
XIV	**Earnings per equity share** (Face value of - Rs 10 each) (not annualised)						
	(a) Basic	26.08	30.40	27.32	86.00	81.57	113.01
	(b) Diluted	26.08	30.40	27.32	86.00	81.57	113.01

Shriram Pistons & Rings Ltd. 23, K.G. Marg, N,Delhi

SIGNED FOR IDENTIFICATION PURPOSE ONLY

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

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Notes:

1 During the current quarter, the Company has raised funds by issuance of Commercial Papers, which are listed on National Stock Exchange of India Limited. Pursuant to SEBI Master Circular dated July 11, 2025 to the extent applicable to Commercial Papers, additional disclosures are required under Regulation 52(4) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, (as amended) is below:

	Particulars	Standalone					
		3 months ended December 31, 2025	3 months ended September 30, 2025	3 months ended December 31, 2024	**Period ended December 31, 2025**	Period ended December 31, 2024	Year ended March 31, 2025
		Unaudited	Unaudited	Unaudited	**Unaudited**	Unaudited	Audited
a)	**Net worth (Rs. in millions)** (Total Equity less Preference share redemption reserve, Capital redemption reserve and revaluation reserve)	27,360	26,203	22,634	27,360	22,634	23,822
b)	**Net profit after tax (Rs. in millions)**	1,149	1,339	1,203	3,788	3,593	4,978
c)	**Earnings per share (Face value of - Rs. 10 each) #**						
	(a) Basic EPS (in Rs.)	26.08	30.40	27.32	86.00	81.57	113.01
	(b) Diluted EPS (in Rs.)	26.08	30.40	27.32	86.00	81.57	113.01
d)	**Outstanding redeemable preference shares (quantity and value)**	Nil	Nil	Nil	Nil	Nil	Nil
e)	**Capital redemption reserve (Rs. in millions)**	4	4	4	4	4	4
f)	**Debt - equity Ratio (in times)** [(Non-current borrowings + Current borrowings)/ Total Equity]	0.63	0.14	0.15	0.63	0.15	0.15
g)	**Long term debt to working capital ratio (in times)** [(Non-current borrowings + Non-current lease liabilities + Current maturities of non-current borrowings and lease liabilities) / (Current assets - Current liabilities)]	0.14	0.09	0.12	0.14	0.12	0.11
h)	**Total debts to total assets ratio (in times)** [(Non-current borrowings + Current borrowings)/Total Assets]	0.34	0.10	0.11	0.34	0.11	0.11
i)	**Debt service coverage ratio (in times)** [(Net profit after tax + Finance cost + Depreciation and amortization) /(Interest payment+Principal repayment of long term borrowing)]	9.10	12.51	11.87	10.99	11.28	11.65
j)	**Interest service coverage ratio (in times)** (Earnings before finance costs, Taxes, Depreciation and Amortization /Finance costs)	20.53	35.23	33.46	27.98	30.04	31.41
k)	**Current ratio (in times)** (Current assets/Current liabilities)	1.70	2.51	2.47	1.70	2.47	2.46
l)	**Bad debts to accounts receivable ratio (in %) #** (Provision for bad and doubtful debts/advances and write offs, if any/Average trade receivable)	0.01	0.11	0.05	0.12	0.00	0.01
m)	**Current liability ratio (in times)** (Current liabilities/Total liabilities)	0.91	0.85	0.82	0.91	0.82	0.84
n)	**Debtors' turnover (in times)#** (Revenue from operations /Average trade receivables)	1.74	1.70	1.74	5.18	5.26	6.66
o)	**Inventory turnover (in times)#** (Revenue from operations /Average inventory)	1.96	2.04	1.99	5.85	6.02	8.22
p)	**Operating margin (in %)** (Profit before Depreciation and amortisation, Finance costs and Tax less other Income/Revenue from operations)	17.89	20.98	21.17	19.96	20.91	21.27
q)	**Net profit margin (in %)** (Net profit after tax/Revenue from operations)	13.28	15.34	15.64	14.72	15.46	15.66

Not annualised except for the year ended March 31, 2025

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WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Shriram Pistons & Rings Ltd. 23, K.G. Marg, N,Delhi

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2 The Company deals primarily in automotive component segment.

3 The above results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (referred to as "IND AS") 34 Interim Financial reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules made thereunder.

4 The Government of India has notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health, and Working Conditions Code, 2020 ("Labour Codes") with effect from November 21, 2025 which consolidates 29 existing labour laws. Based on the draft rules and FAQs issued by the ministry of labour and employment and best available information, the Company has estimated the financial implications thereof and has made an additional provision of Rs. 237 millions in the quarter and nine months ended December 31, 2025. Considering the materiality, regulatory driven and non -recurring nature of the impact, the Company has presented such incremental impact under "exceptional item". The Company continues to monitor the finalisation of central/state rules and other developments pertaining to labour codes and would provide appropriate accounting effect on the basis of such developments, if any.

5 The Board of Directors, at its meeting held on November 24, 2025, approved the acquisition of 100% equity shares of Antolin Lighting India Private Limited (ALIPL) and Grupo Antolin India Private Limited (GAIPL) along with Grupo Antolin Chakan Private Limited (GACPL), the subsidiary of GAIPL. A Share Purchase Agreement was executed on December 5, 2025. The acquisition was completed on January 8, 2026, resulting in the Company acquiring 100% of ALIPL, 100% of GAIPL and ~99.99% of GACPL. Consequently, ALIPL and GAIPL became wholly-owned subsidiaries (with GAIPL also classified as an unlisted material subsidiary), and GACPL became a step-down subsidiary of the Company.

6 The Company entered into an Asset Purchase Agreement on December 19, 2025, with Sunbeam Lightweighting Solutions Private Limited for the purchase of identified plant, machinery, and related piston-line assets for Rs. 280.00 millions.

7 The Company issued and allotted Commercial Papers amounting to Rs. 10,000.00 millions on December 24, 2025, on a private placement basis. These Commercial Papers are listed on National Stock Exchange of India Limited, have a tenure of 62 days, and will mature on February 24, 2026.

8 The Company has approved the payment of interim dividend @ 50% i.e. Rs. 5/- on each equity share of the nominal value of Rs. 10/- each for the financial year ending March 31, 2026. The record date for the purpose of payment of interim dividend is fixed as February 06, 2026.

9 The above results were reviewed and recommended by Audit Committee in its meeting held on February 02, 2026 and taken on record by Board of Directors of the Company in its meeting held on February 02, 2026.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

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For and on behalf of the Board of Directors

Shriram Pistons & Rings Ltd. 23, K.G. Marg, N,Delhi

Place: New Delhi

Date : February 02, 2026

(PREM PRAKASH RATHI)
CHIEF FINANCIAL OFFICER

(KRISHNAKUMAR SRINIVASAN)
MANAGING DIRECTOR & CEO

Walker Chandiok & Co LLP
L 41, Connaught Circus,
Outer Circle,
New Delhi – 110 001
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Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Shriram Pistons & Rings Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Shriram Pistons & Rings Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 31 December 2025 and the consolidated year to date results for the period 01 April 2025 to 31 December 2025, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').

2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Rahul Kool
Partner
Membership No. 425393
UDIN: 26425393ZAGWTE8549

Place: New Delhi
Date: 02 February 2026

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

Annexure 1

List of entities included in the Statement

S.No. Name of the Holding Company

1. Shriram Pistons & Rings Limited

Name of subsidiaries

2. SPR Engenious Limited
3. SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)
4. SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)
5. SPR TGPEL Precision Engineering Limited (formerly TGPEL Precision Engineering Limited) (with effect from 24 December 2024)
6. Karna Intertech Private Limited (with effect from 01 April 2025)

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SHRIRAM PISTONS & RINGS LIMITED

Regd. Office: 3rd Floor, Himalaya House, 23, Kasturba Gandhi Marg, New Delhi - 110 001

Tel : +91 11 2331 5941, Website: www.shrirampistons.com

E-mail: compliance.officer@shrirampistons.com, CIN: L29112DL1963PLC004084

Statement of consolidated unaudited financial results for the quarter and nine months ended December 31, 2025

(Amount in Rs. Million except per share details)

	Particulars	Consolidated					
		3 months ended December 31, 2025	3 months ended September 30, 2025	3 months ended December 31, 2024	Period ended December 31, 2025	Period ended December 31, 2024	Year ended March 31, 2025
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	10,232	10,165	8,479	30,029	25,615	35,498
II	Other income	331	262	272	876	840	1,114
III	Total income (I+II)	10,563	10,427	8,751	30,905	26,455	36,612
IV	Expenses						
	a) Cost of materials consumed	4,471	4,205	3,545	12,776	10,394	14,361
	b) Purchase of stock-in-trade	197	214	203	619	602	859
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(117)	49	(276)	(317)	(421)	(343)
	d) Employee benefits expense	1,351	1,401	1,264	4,176	3,814	5,138
	e) Finance costs	117	85	79	292	259	343
	f) Depreciation and amortization expenses	328	326	308	969	914	1,197
	g) Other expenses	2,272	2,223	2,038	6,694	6,087	8,241
	Total expenses	8,619	8,503	7,161	25,209	21,649	29,796
V	Profit before exceptional item and tax (III-IV)	1,944	1,924	1,590	5,696	4,806	6,816
VI	Exceptional item (refer note 3)	252	-	-	252	-	-
VII	Profit before tax (V-VI)	1,692	1,924	1,590	5,444	4,806	6,816
VIII	Tax expense						
	Current tax	439	492	408	1,409	1,230	1,730
	Deferred tax	(4)	11	(27)	10	(64)	(69)
	Total tax expense	435	503	381	1,419	1,166	1,661
IX	Profit for the period / year (VII-VIII)	1,257	1,421	1,209	4,025	3,640	5,155
X	Other comprehensive income						
	A (i) Items that will not be reclassified to profit or loss						
	a) Remeasurements of the post employment defined benefit plans	(5)	11	13	4	38	61
	b) Income tax relating to items that will not be reclassified to profit or loss	1	(3)	(4)	(1)	(10)	(15)
	B (i) Items that will be reclassified to profit or loss						
	a) Fair value change of cash flow hedge	19	(15)	5	(36)	1	10
	b) Income tax relating to items that will be reclassified to profit or loss	(4)	5	(2)	10	(0)	(3)
	Other comprehensive income	11	(2)	12	(23)	29	53
XI	Total comprehensive income for the period / year (IX+X)	1,268	1,419	1,221	4,002	3,669	5,208
XII	Profit/(loss) attributable to :						
	a) Owners of Shriram Pistons & Rings Limited	1,230	1,399	1,198	3,965	3,601	5,068
	b) Non-controlling interest	27	22	11	60	39	89
XIII	Other comprehensive income						
	a) Owners of Shriram Pistons & Rings Limited	11	(2)	13	(24)	30	54
	b) Non-controlling interest	0	0	(1)	1	(1)	(1)
XIV	Total comprehensive income						
	a) Owners of Shriram Pistons & Rings Limited	1,241	1,397	1,212	3,941	3,631	5,120
	b) Non-controlling interest	27	22	9	61	38	88
XV	Paid up equity share capital (Face value of share - Rs 10 each)	440	440	440	440	440	440
XVI	Other equity (excluding revaluation reserves)	-	-	-	-	-	23,399
XVII	Earnings per equity share (Face value of - Rs 10 each) (not annualised)						
	(a) Basic	27.93	31.76	27.22	90.01	81.76	115.02
	(b) Diluted	27.93	31.76	27.22	90.01	81.76	115.02

Shriram Pistons & Rings Ltd. 23, K.G. Marg, N,Delhi

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WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Notes:

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3 The Government of India has notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health, and Working Conditions Code, 2020 ("Labour Codes") with effect from November 21, 2025 which consolidates 29 existing labour laws. Based on the draft rules and FAQs issued by the ministry of labour and employment and best available information, the Group has estimated the financial implications thereof and has made an additional provision of Rs. 252 millions in the quarter and nine months ended December 31, 2025. Considering the materiality, regulatory driven and non -recurring nature of the impact, the Group has presented such incremental impact under "exceptional item". The Group continues to monitor the finalisation of central/state rules and other developments pertaining to labour codes and would provide appropriate accounting effect on the basis of such developments, if any.

4 The Board of Directors of the Holding Company, at its meeting held on November 24, 2025, approved the acquisition of 100% equity shares of Antolin Lighting India Private Limited (ALIPL) and Grupo Antolin India Private Limited (GAIPL) along with Grupo Antolin Chakan Private Limited (GACPL), the subsidiary of GAIPL. A Share Purchase Agreement was executed on December 5, 2025. The acquisition was completed on January 8, 2026, resulting in the Holding Company acquiring 100% of ALIPL, 100% of GAIPL and ~99.99% of GACPL. Consequently, ALIPL and GAIPL became wholly-owned subsidiaries (with GAIPL also classified as an unlisted material subsidiary), and GACPL became a step-down subsidiary of the Holding Company.

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8 SPR TGPEL Precision Engineering Limited and Karna Intertech Private Limited were acquired on December 24, 2024 and April 01, 2025 respectively. Hence, the financial results for the quarter / period ended December 31, 2025 is not comparable with corresponding period of previous year.

9 The above results were reviewed and recommended by Audit Committee in its meeting held on February 02, 2026 and taken on record by Board of Directors of the Holding Company in its meeting held on February 02, 2026.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

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For and on behalf of the Board of Directors

Shriram Pistons & Rings Ltd. 23, K.G. Marg, N,Delhi

Place: New Delhi

Date : February 02, 2026

(PREM PRAKASH RATHI)
CHIEF FINANCIAL OFFICER

(KRISHNAKUMAR SRINIVASAN)
MANAGING DIRECTOR & CEO