Sam
PISTON & RINGS

36th
Annual Report 2021-22

SAMKRG PISTONS AND RINGS LIMITED

(AN ISO 9001:2015 IATF 16949:2016 Company)

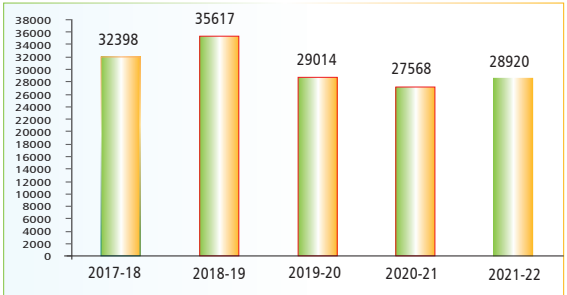
Sam PISTON & RINGS

SAMKRG PISTONS AND RINGS LIMITED

10 YEARS PERFORMANCE AT A GLANCE

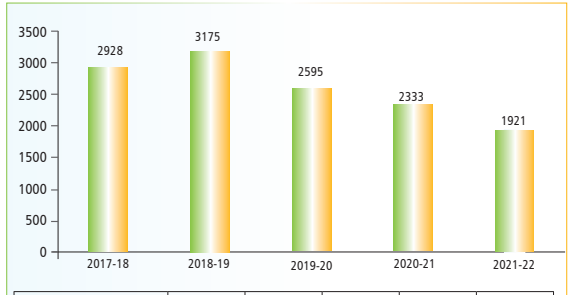
Particulars	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Sales (Gross)	28919.82	27567.96	29013.61	35616.53	32397.76	28037.31	27382.56	25543.09	22801.64	19233.38
Sales (Net)	23465.95	22165.78	23123.18	28283.61	26116.54	22965.02	24520.09	23247.38	20562.72	17344.91
PBDIT	3365.56	3736.41	3974.63	4524.92	4373.71	4162.16	3587.53	3419.34	3005.85	3066.87
Profit before tax	1921.48	2333.25	2595.17	3175.20	2928.30	2702.31	2261.71	1800.82	1559.17	1272.93
Profit after tax	1387.64	1732.42	1959.81	2103.59	2015.46	1945.66	1570.15	1231.51	1074.60	866.93
Profit after tax (%)	5.91	7.82	8.48	7.44	7.72	8.47	6.40	5.30	5.23	5.00
Dividend paid	245.51	491.03	491.03	491.03	491.03	441.92	392.82	294.62	245.51	245.51
Dividend %	25	50	50	50	50	45	40	30	25	25
Share Capital	982.05	982.05	982.05	982.05	982.05	982.05	982.05	982.05	982.05	982.05
Reserves & Surplus	16498.76	15602.45	13922.60	13146.69	11619.77	10148.3	8237.85	7493.06	6563.38	5776.03
Net worth	17480.81	16584.50	14904.65	14128.74	12601.82	11130.35	9219.90	8475.11	7545.43	6758.08
Gross Fixed Assets	31692.30	30922.13	30036.95	29039.88	26926.57	24422.53	21511.47	19836.24	18607.67	17488.61
EPS (Rs)	14.13	17.64	19.96	21.42	20.52	19.81	15.99	12.54	10.94	8.83
Book value/ Share (Rs)	178.00	168.88	151.77	143.87	128.32	113.34	93.88	86.30	76.83	68.82
Debt Equity	ZERO DEBT	ZERO DEBT	ZERO DEBT	ZERO DEBT	ZERO DEBT	ZERO DEBT	ZERO DEBT	ZERO DEBT	ZERO DEBT	0.21

SALES (GROSS)



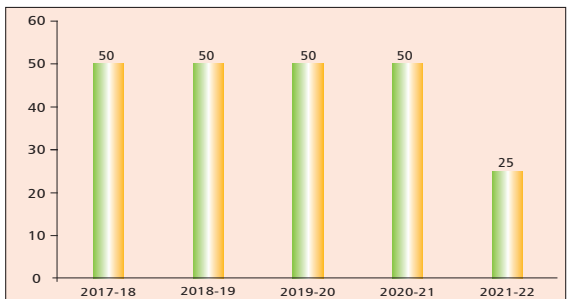
Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
Sales (Gross)	32398	35617	29014	27568	28920

PROFIT BEFORE (TAX)



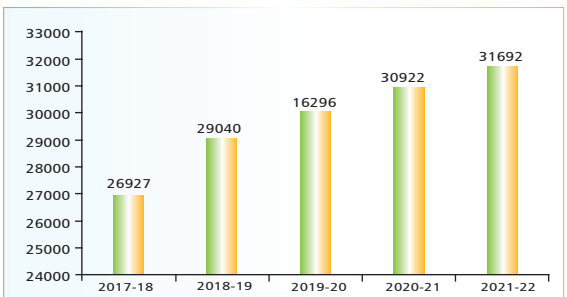
Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
PROFIT BEFORE (TAX)	2928	3175	2595	2333	1921

Dividend %



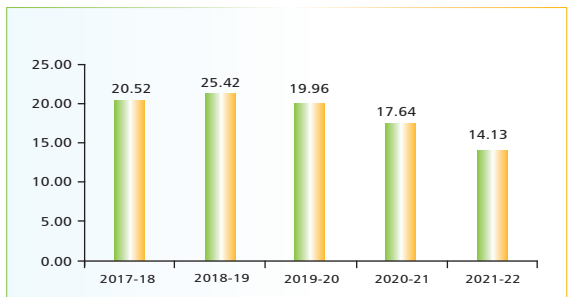
Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
Dividend %	50	50	50	50	25

Gross Fixed Assets



Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
Gross Fixed Assets	26927	29040	30037	30922	31692

EPS (₹)



Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
EPS (Rs)	20.52	21.42	19.96	17.64	14.13

BOARD OF DIRECTORS

Shri S D M Rao	Chairman & Managing Director
Shri S Karunakar	Whole Time Executive Director
Shri S Kishore	Whole Time Director (Operations)
Shri S Madhava Rao	Director
Shri M N Thakkar	Director (Independent Director)
Ms. N Rishita	Director (Woman Independent Director)
Shri Pinninti Raghu Prakash Swamy	Director (Independent Director)
Shri Kuppusetti Chaitanya Abhishek	Director (Independent Director)

Principle Officers	
Shri Kota Ramesh	**Chief Finance Officer**
Mrs. Surabhi.R.Jain	**Company Secretary & Compliance officer**
Secretarial Auditor	M/s VBSS Prasad, Company Secretary 208, Kubera Towers, Narayanguda, Hyderabad- 500029
Auditors	**M/s Sridhara Chary V & Co., Chartered Accountants, 1-8-526, JatkarBhawan, Street No. 7, Chikkadapally,Hyderabad- 500020**
Cost Auditor	Mr. N V S Kapardhi, SRT 148, SR NAGAR, HYDERABAD- 500038.
Bankers	State Bank of India
Registered Office	1-201, Divyashakti Complex 7-1-58, Ameerpet, Hyderabad - 500 016 Tel : 040 – 23730596Fax : 040 - 23730216
Registrar and Share Transfer Agent	M/s. XL Softech Systems Ltd 3, Sagar Society, Road No.2 Banjara Hills Hyderabad - 500034 Ph: 040-23553214

Factories

PLANT - I	Pistons, Pins Unit Steel Ring Unit	Sy. No. 537, Road Bonthapally Narasapur Taluk Sanga Reddy District, Telangana
PLANT - II	Cast Iron Ring Unit Steel Ring Unit	Sy.No.33, Varisam Pydibhimavaram Ranastalam Mandal Srikakulam District, A.P.
PLANT - III	PISTONS &PINS	Sy.No.232 Arinama Akkivalasa Allinagaram, Etcherla Mandal Srikakulam District, A.P.
UNIT – IV Steel Rings		Sy. No. 537, Road Bonthapally Narasapur Taluk Sanga Reddy District, Telangana

NOTICE

NOTICE is hereby given that the Thirty sixth (36th) Annual General Meeting of the Members of the SAMKRG PISTONS AND RINGS LIMITED will be held on Wednesday the 28th September, 2022 at 11:00 a.m. IST through Video Conferencing (VC) / Other Audio Visual Means (OAVM) in compliance with other applicable provisions of the Companies Act ,2013 and Rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulation,2015 read with various circulars of Ministry of Corporate Affairs and SEBI issued from time to time without physical presence of the members at a common venue to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the company as at 31st March 2022 and Profit and Loss Account for the year ended on that date together with Directors' report and Auditors' report thereon.

2. To declare Dividend on Equity shares for the financial year 2021-22. of Rs.2.50 per equity share (25%) of face value of Rs.10/- each for the year ended March 31, 2022.

3. To appoint a Director in place of Shri S Karunakar (01665760) who retires by rotation and being eligible, seeks for re-appointment. Based on performance and recommendation of nomination and remuneration committee, the Board recommends his re-appointment.

   Therefore, members are requested to consider and if thought fit, to pass the following resolution as an ordinary resolution:

   RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Shri S Karunakar who retires by rotation, be and is hereby re-appointed as director liable to retire by rotation.

4. To consider and if thought fit, to pass with or without modification, the following resolution as ordinary resolution:

   "RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules made there under, including statutory modifications thereto or re-enactments thereof for the time being in force, and pursuant to the recommendations of the audit committee Mr.MVN MURTHY, having Membership No. M/201445 allotted by the Institute of Chartered Accountants of India, be and are hereby appointed as statutory auditors of the company, pursuant to Provision to Section 139 of the Companies Act,2013 to hold office, from conclusion of this annual general meeting for Five Consecutive years on such remuneration, as may be fixed in this behalf by the board of directors of the company."

   "RESOLVED FURTHER THAT the directors of the Company jointly and severally be and are hereby, authorized to do all such acts, matters and things as may be necessary to give effect to the above resolution and to certify and upload the e-forms

5. The Chairman informed the Board that as per requirement of section 148 of Companies Act, 2013 and rules made there under and as per recommendation of Audit Committee, consent of Mr. Penumurthy Srinivas has been received for his appointment and conducting cost audit for financial year 2022-23. The Board considered the consent of Mr. Penumurthy Srinivas and passed the following resolution:

   "RESOLVED THAT as per requirement of section 148 of Companies Act, 2013 and rules made there under and as per recommendation of Audit Committee Mr. Penumurthy Srinivas, Cost Accountant in practice having firm registration no. 100231 be and is hereby appointed as Cost Auditor for financial year 2022-23."

   "RESOLVED FURTHER THAT Sri S D M Rao, Managing Director and Chairman be and is hereby authorized to such necessary steps as may be required in relation to the above resolution and file required e-forms to Registrar of Companies

SPECIAL BUSINESS:

To consider and if thought fit to pass with or without modification, the following resolution as Special Resolution:

6. RESOLVED THAT pursuant to the provisions of Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, and the Provisions of Section 152 of the Companies Act, 2013 and other applicable provisions if any, and subject to the approval of Shareholders in the ensuing Annual General Meeting, Mr. Saripalli Madhava Rao (holding DIN:00160487) aged about 75 years, Director retiring by rotation and due for retirement at the ensuing Annual General Meeting, be and is hereby appointed as Non-executive Director of the Company retiring by Rotation.

   RESOLVED FURTHER THAT pursuant to the provisions of sections 197, and other applicable provisions of the Act and the Rules made there under Mr. Saripalli Madhava Rao shall be entitled to receive the remuneration/ fees/ commission as permitted to be received in a capacity of Non-Executive Director retiring by rotation under the Act and Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

   RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and is here by authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution."

7. "RESOLVED THAT pursuant to section 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto as amended up to date and all guidelines for managerial remuneration issued in this regard from time to time, and subject to recommendation of nomination and remuneration committee, and subject to the further approval of shareholders in the ensuing annual general meeting as special resolution, the Board of Directors of the Company hereby approved the re-appointment of Shri S.D.M. Rao, Managing Director of the Company for a further period of 3 years with effect from 01.09.2022 to 31.08.2025 on the terms and conditions, as approved by the nomination and remuneration committee in its meeting held on 25.05.2022."

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

   A. Remuneration:

   i. Salary: Rs.450000/- per month (including Dearness Allowances) with annual increment of Rs. 50000/- per year.

   B. Perquisites:

   i. Perquisites

   a) Housing:

   Rent free furnished accommodation along with benefits of gas, fuel, water, electricity, telephone & Mobile and other communication facilities and also upkeep the maintenance of Company's furnished accommodation subject to the ceiling of 60% of the salary.

   b) Medical Reimbursement:

   Subject to a ceiling of one month's salary in a year or three months' salary over a period of three years. In addition to the above, medical reimbursement incurred for treatment abroad will be subject to a limit of US$ 40,000 per year or US$ 1,20,000 over period of three years.

   c) Leave Travel Allowance:

   Leave Travel Allowance will be paid by the Company for himself and his family once in a year subject to ceiling of one and half month salary in a year.

   d) Club Fees:

   Reimbursement of club fees, subject to maximum of two clubs.

   e) Personal Accident insurance:

   Personal accident insurance cover as applicable will be provided to him by the Company. Premium payable shall not exceed Rs.10,000/- per annum.

   Apart from the above the Managing Director shall also be entitled to the following:

a) Provident Fund/ Superannuation Fund:

12% of the Salary as per rules of the Company or such percentage as may be specified from time to time. Company's contribution towards Superannuation or Annuity Fund together with provident fund shall not exceed 27% of the salary as prescribed by the Income Tax Rules 1962 or any statutory modification thereof. The contribution to provident fund, superannuation fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

b) Gratuity:

Gratuity, at a rate not exceeding half month salary for each completed year of Service.

c) Company Car:

One car with the services of driver, to be maintained by the Company for official use.

d) Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company.

e) Leave as per Rules of the Company.

f) Entertainment Allowance: As per company rules

g) Special Allowance: Rs. 75000/- p.m

h) COMMISSION

Not more than 1% on the net profit of the Company calculated as per sections 198 of the companies act, 2013"

Minimum Remuneration

In the event of, the Company does not have profits or its profits are inadequate, he shall be paid salary and perquisites not exceeding the sum as prescribed under Schedule V of the Companies Act, 2013. However, contribution to provident fund / annuity fund / gratuity and leave at the end of the tenure shall not be included.

C. Shri S D M Rao shall be Managing Director of the Company. So long as Shri S D M Rao functions as the Managing Director, he shall not be paid any fees for attending the meetings of the Board or any Committee(s) thereof of the Company.

Maximum Remuneration

Commission: 2% on the net profit of the company calculated as per section 197 and 198 of the companies act., 2013. In the event of, the Company does not have profits or its profits are inadequate, he shall be paid salary and perquisites not exceeding the sum as prescribed under Schedule V of the Companies Act, 2013. However, contribution to provident fund / annuity fund / gratuity and leave at the end of the tenure shall not be included.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution."

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. Since the AGM is being held in accordance with the circulars through VC, the facility for appointment of proxies by the members will not be available.
2. Since AGM will be held through VC/OAVM, the route map for the venue is not annexed to the Notice. However, the deemed venue of 36th AGM shall be its Registered Office.
3. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013.
4. In compliance with the MCA Circulars and SEBI Circulars, the Annual Report 2021-22 and the Notice of 36thAGM are being sent only through electronic mode to those members whose email addresses are registered with the company / depository participant(s). Members may note that the Notice and Annual Report 2021-22 will also be available at Company's website www.samkrgpistonsandrings.com and website of BSE Limited.
5. The Register of the members and Share Transfer Books of the Company will remain closed from 22ndSeptember 2022 to 28rdSeptember 2022) (Both days inclusive).
6. Pursuant to Section 124(5) of the Companies Act,2013, all unclaimed / unpaid dividends up to the financial year ended 31st March, 2013 have been transferred to the Investor Education and Protection Fund established by the Central Government as per Section 125(1) of the Companies Act, 2013.
7. Members, who have not yet claimed their dividend, wishing to claim their dividends are requested to correspond with our RTA M/s XL Softech Systems Limited, 3 Sagar Society, Road No. 2, Banjara Hills, Hyderabad- 500034. Phone No. 040-23545913/14/15 Email: xlfield@gmail.com or with Company Secretary at our registered office. Members are requested to note that dividends that are not claimed within seven years from the date of its transfer to Unpaid Dividend Account, will be transferred to Investor Education and Protection Fund (IEPF) and Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to the IEPF as per Section 124 of the Companies Act, 2013 read with applicable IEPF rules.
8. In the terms of notification issued by SEBI, the Equity Shares of the Company are under compulsory Demat trading for all Investors from 24th July, 2000.Shareholders are advised to hold their shares in Demat mode and to send their Share Certificates along with Dematerialization request to the RTA through their Depository Participants.
9. The Members are requested to:
   i) Intimate changes, if any, in their registered address at an early date.
   ii) Members who have multiple Folios in identical names or joint names in the same order are requested to intimate to the company those folios to enable the company to consolidate all such share holdings into a single folio.
10. The Annual Listing fee for the year 2022-23 has been paid to BSE Ltd.

GREEN INITIATIVE IN CORPORATE GOVERNANCE

To support this green initiative of the Government, members are requested to register their e-mail address and also intimate changes, if any, with the DPs, in case shares are held in Dematerialized form and with RTA, in case the shares are held in physical form.

Instructions about Voting:

(i) Voting through electronic means:

1- As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.

2- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

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

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

5- Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

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

7- The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

8- In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

(i) The voting period begins on 25.09.2022 09:00 a.m. and ends on 27.09.2022. 05:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21.09.2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting being by VC

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	**Login Method**
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/ KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

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

2) Click on "Shareholders" module.

3) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

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

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

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

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

6) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

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

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

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

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

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

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

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

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

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

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

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; _____ (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

BY ORDER OF THE BOARD
For **SAMKRG PISTONS AND RINGS LIMITED**

Sd/-
S.D.M. RAO
CHAIRMAN & MANAGING DIRECTOR

Place : Hyderabad
Date :27th May, 2022

Financial year 2021-'22 ending up as good year for our company despite poor results of Q1 of the year due to Covid-19 and posted the best financial performance with strong fundamentals

Director's Report

Your Directors are pleased and privileged to present 36th Annual Report and the Audited Accounts of the Company for the year ended March 31, 2022.

Financial Results (Rs. InLakhs)

Particulars	2021-22	2020-21
Gross total income from operations	28919.82	**27567.96**
Other Income	112.86	**141.31**
Profit before Interest, Depreciation and Tax (PBIDT)	3419.77	**3794.52**
Interest	152.22	**104.75**
Profit before depreciation and Tax (PBDT)	3267.55	**3689.77**
* Depreciation	1291.86	**1298.41**
Profit before Exceptional Item	1975.69	**2391.36**
C S R	54.21	**58.11**
Extraordinary Item	0	**0**
Profit after CSR	1921.48	**2333.25**
Provision for Taxation		
i) Current Year	522.62	**606.87**
ii) Deferred Taxation	11.22	**-6.05**
Net Profit before Extraordinary Item	1387.64	**1732.42**
Extraordinary Item	0	**0**
Profit after Extraordinary Item	1387.64	**1732.42**

Note: Figures have been re-grouped wherever necessary to confirm to current period classification.

DIVIDEND

Your Directors recommended dividend of Rs.2.50 per equity share (25%) of face value of Rs.10/- each for the year ended March 31, 2022.

CREDIT RATING

The company's financial discipline and prudence is reflected by becoming a debt free company for the last few years and credit ratings ascribed by CRISIL

Long term rating : CRISILA- /Stable (Reaffirmed)

Short term Rating : CRISILA2+ (Reaffirmed)

Review of business operations:

In the year 2021-22 the 2 & 3-Wheeler I.C. Engines Domestic & Global Automotive Industry was passing through one of the most challenging times with the introduction of electrical 2 & 3 wheelers. Added to this non availability of semiconductors for motorcycle production effected during the year. B. S. IV Moreover rural economy showed signs of slow down. Domestic Industry performed 10 to 15% less than pre covid pandemic, Company achieved

the targets for the last three quarters and in the 1st quarter during the year sales dropped down to the rock bottom because of Covid 19 effect. Added to all these prices of all input material increased by 20 to 25%. To some extent to reduce this effect. Company taken effective steps for manufacturing cost effective production. Finally, Company achieved reasonably good financial results.

The Company posted the gross turnover of Rs.28919.82 lakhs during year 2021-22 as against Rs.27567.96 Lakhs in the previous year 2020-21 and Net turnover of Rs.23677.12 Lakhs during the year 2021-22 as compared to Rs.22484.46 Lakhs for the previous year 2020-21.

The company R&D expenditure is Rs.35.20Lakhs during the year to catch up with up-gradation of technology and to meet OEM's ever demanding quality and new developments requirement to improve life cycle of their product meeting BS-VI norms of environmental standards for Auto components.

The operations of the Company on the whole have been satisfactory.

In pursuance of National Electric Mobility Machine Plan (NEMMP) and other initiatives and Government to achieve long term growth in industry and reduced emissions and oil dependents. To meet these stringent environmental regulations on pollution and carbon emissions have necessitated heavy investments in both automobile and also auto parts such as our industries.

Company is now focusing customer preferences and distributions channels and always exploring new avenues in the export market and Domestic Replacement market which will give encouraging results.

Earnings Before Depreciation, Interest and Tax (PBDIT) at Rs.3419.77 lakhs as against previous year of Rs.3794.51Lakhs. The Profit Before Tax was at Rs.1921.48 lakhs as compared to Rs. 2333.25 lakhs in 2020-21.

FUTURE PROSPECTUS:

In line with motto of 'Reshaping our business for tomorrow' Samkrg is serving the growing needs of our Business Accounts and Individual Customers of export and domestic and also OEM Customer segments by offering cost effective prices and different Products and Services. Our end-to-end operation across the value chain, from gross level customers enables us to deliver superior quality products. Over the years, we have built strong relationship with the domestic and overseas customers for our Replacement Market and other channel partners that has allowed us to serve all Customer segments through our nationwide professional distribution network. We are now leveraging this extensive network established for our products to extend our customer-centric services.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013 with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms:

- In the participation of Annual Accounts, the applicable Indian accounting standards have been followed and that there have been no material departures.
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and the profit loss account of the Company for that period.
- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors had prepared the Annual accounts on a going concern basis and
- The Directors, in the case of listed company had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively
- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- The Company's Internal Auditors have conducted periodic audit to provide reasonable assurance

that the Company's established policies and procedures have been followed. The Audit Committee of the Board meets once in a quarter with Internal Auditors to review internal control and financial reporting issues.

RISK MANAGEMENT COMMITTEE

Risk management committee consists of the following Directors:

1.	**Mr. S.D.M. Rao**	Chairman
2.	**Mr. S Madhava Rao**	Member
3.	**Mr. K Chaitanya Abhishek**	Member

RISK MANAGEMENT POLICY

The company has taken all the steps to mitigate the following risks:

Raw material prices: Ours is a continuous high volume manufacturing industry. Our profitability will depend on change in the price in raw materials and input costs.

Foreign currency Risks: Exchange rate fluctuations may sometimes effect. Adequate steps were taken.

Competition and Price Pressure: The Company is facing stiff competition in the segments of OEMs and aftermarket as well as price pressure from the OEMs which playing major roll on the profitability of the company.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility committee consists of the following Directors:

1.	Mr. S Kishore	Chairman
2.	Mr. Pinninti Raghu Prakash Swamy	Member
3.	Mr. K Chaitanya Abhishek	Member

Corporate social responsibility policy was adopted by the Board of Directors on the recommendation of corporate social responsibility committee.

Report on corporate social responsibility as per Rule8 of Companies (Corporate Social Responsibility) Rules, 2014 is prepared and the same is enclosed as annexure -3.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6)

The Independent Directors have submitted the declaration of independence as required pursuant Sec. 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Sec. 149(6).

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of the following Directors namely Mr. K Chaitanya Abhishek, Ms. Nama Rishita, Mr. S. Madhava Rao.

Brief description of terms of reference:

- 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 for their appointment and removal;
- Carry on the evaluation of every director's performance;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Recommend 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; and
- Any other matter as the Board may decide from time to time.

Nomination and Remuneration policy

The objective of the Policy:

1. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
2. To determine remuneration based on the Company's size and financial positions and trends and practices on remuneration prevailing in peer companies.

3. To carry our evaluation of the performance of Directors.

4. To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

POLICIES ON APPOINTMENT OF DIRECTORS AND REMUNERATION

Your Company recognizes the importance and benefits of having the diverse Board to enhance quality of its performance and has adopted a Nomination and Remuneration Policy as formulated by the Board of Directors. The Company's Nomination and Remuneration Policy has laid down a framework for remuneration of Directors (Executive and Non-Executive), Key Managerial Personnel and Senior Management Personnel.

These Policies are available on the Company's website at the
https://www.samkrgpistonsandrings.com

PERFORMANCE EVALUATION OF DIRECTORS AT BOARD AND INDEPENDENT DIRECTORS' MEETINGS

Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its various Committees for the financial year 2021-22. The evaluation was conducted on the basis of a structured questionnaire which comprises performance criteria such as performance of duties and obligations, independence of judgement, level of engagement and participation, attendance of directors, their contribution in enhancing the Board's overall effectiveness, etc. The Board has expressed their satisfaction with the evaluation process. The observations made during the evaluation process were noted and based on the outcome of the evaluation and feedback of the Directors, the Board and the management agreed on various action points to be implemented in subsequent meetings. The observations included those relating to further improvement in participation and deliberations at the meetings and conduct of the meetings, circulation of board presentations and its content.

The independent directors met on 25.05.2022 without the presence of other directors or members of Management. All the independent directors were present at the meeting. In the meeting, the independent directors reviewed performance of non-independent directors, the Board as a whole and Chairman. They assessed the quality, quantity and timeliness of flow of information between the Company management and the Board.

FAMILIARIZATION PROGRAMME

Pursuant to Regulation 25(7) of the SEBI (LODR) Regulations, the Company has put in place a system to familiarize its Independent Directors about the Company, its financial products, the industry and business model of the Company. In addition, the Company also updates on continuous basis to the Independent Directors about the ongoing events and developments relating to the Company, significant changes in regulatory environment through the Board/ Committee meetings and separate familiarisation programme(s). Familiarization Programme details:

(i)	No. of programs attended by Independent Director (during the year and on a cumulative basis till date)	During the year	**3**
		Cumulative	**19**
(ii)	No. of hours spent by Independent Directors in such programs (during the year and on a cumulative basis till date)	During the year	**4.30**
		Cumulative	**21.30**

Pursuant to Regulation 46 of SEBI (LODR) Regulations the details of Familiarization Programme is uploaded on the Company's website.

POLICY FOR PROHIBITION OF INSIDER TRADING

Vide notification No. EBI/LAD-NRO/GN/2018/59 Securities and Exchange Board of India (SEBI) has notified SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 with effect from April 01, 2019. The Company has accordingly formulated and

adopted Code for Fair Disclosure of Unpublished Price Sensitive Information. The said code is also available on the website of company.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186:

The company has neither issued any Loans, guarantees nor made any investments during the financial year 2021-2022.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO Sec. 188(1)

The particulars of contracts or arrangements with related parties referred to Section 188(1) are prepared in form No.AOC-2 pursuant to Section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014. The details of the transactions with related parties are given in the financial statements.

TRANSFER OF AMOUNTS TO RESERVES

The Company proposes to transfer an amount of Rs.235.90 lakhs to the general reserve for the financial year ended 31st March, 2022.

LISTING OF EQUITY SHARES

The Company's equity shares are listed on BSE Ltd., PJ Towers, Dalal Street, Mumbai 400001.

MEETINGS OF THE BOARD OF DIRECTORS

The details of the Board of Directors Meeting held were given in the Report on Corporate Governance under Item No. 2(b).

ANNUAL RETURN

The Annual Return is prepared in Form MGT-7 as per the provisions of the Companies Act, 2013 and the same is enclosed as Annexure-1
https://www.samkrgpistonsandrings.com

The conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to provisions of Sec. 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

Information with respect to the conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to provisions of Sec. 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is prepared and annexed as Annexure -2 to this report.

BOARD OF DIRECTORS

Shri S KARUNAKAR (01665760), Director of the Company, who is liable to retire by rotation at this Annual General Meeting and being eligible, according to his performance and upon recommendation of nomination and remuneration committee, for re-appointment.

Shri S. MADHAVA RAO (00160487) shall be entitled to receive the remuneration/ fees/ commission as permitted to be received in a capacity of Non-Executive Director retiring by rotation under the Act and Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

DEPOSITS

The Company has not accepted any Deposits in terms of Section 73 of the Companies Act, 2013 and the rules made there under and hence compliance with the same is not applicable.

AUDITORS

Statutory Auditors

At the Annual General Meeting held on 25th September, 2017 M/s. Sridhara Chary V & Co., Chartered Accountants, were appointed as statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2022.

Auditors Report

There are no qualifications, reservations or adverse remarks made by M/s Sridhara Chary V & Co., chartered Accountants, Hyderabad Chartered Accountants (ICAI Reg. No.011478S) Statutory Auditors in their report for the Financial Year ended March 31st 2022.

Audit Committee

Composition of Audit Committee included in Corporate Governance report.

Corporate Governance

A separate report on Corporate Governance is annexed as part of the Annual Report along with the Auditor's Certificate on its compliance.

VIGIL MECHANISM

The Board of Directors has adopted whistle Blower policy. The Whistle Blower policy aims for conducting the affairs in the fair and transparent manner by adopting highest standards of professionalism, honest, integrity and ethical behavior. All permanent employees of the Company are covered under the Whistle Blower Policy.

A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the chairperson of the audit committee in exceptional case

SECRETARIAL AUDITOR REPORT

As per the provisions of Section 204 of the Companies Act, 2013, the Board of Directors have appointed Mr. V B S S Prasad, Practicing Company Secretary (C.P.No: 4605) as Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial year ended 31st March, 2022.

Secretarial Audit Report issued by Mr. V B S S Prasad, Practicing Company Secretary in form MR-3 is enclosed as Annexure - 4 to this Annual Report.

There are no qualifications in Secretarial Audit Report.

PARTICULARS OF APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL:

The Statement of particulars of Appointment and Remuneration of Managerial Personnel as per Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as enclosed as per Annexure - 5 to this Annual Report.

INSURANCE

All properties and insurable interests of the Company including building, plant & machinery and stocks have been fully insured.

CHANGE IN NATURE OF BUSINESS

There is no change in the Company's nature of business during the financial year ended March 31st, 2022.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The company has well defined internal control systems and procedures for ensuring optimum utilization of various resources, Investment decisions involving Capital Expenditure or taken up only after due appraisal and review. Internal audit function covers and carried out periodically and reviewed by the Audit Committee to ensure that all policies and procedures are adhered to, and all statutory obligations complied with.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS

No such orders have been received.

MATERIAL CHANGES AND COMMITMENTS

There are no Material changes and commitments in the business operations of the Company from the financial year ended 31st March, 2022 to the date of signing of the Director's Report.

POLICY ON SEXUAL HARASSMENT

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the Financial year ended 31st march, 2022, the company has not received any Complaints pertaining to Sexual Harassment.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the cooperation and support of Bankers, Customers, Business Associates, Shareholders, dealers, and suppliers who are enabling the Company to achieve its goals. The Directors also place on record their appreciation made by the employees at all levels.

On behalf of the Board of Directors

Place: Hyderabad
Date: 27th May,2022

Sd/-
S. D. M. RAO
Chairman & Managing Direcor

ANNEXURE - 2

The conservation of energy, Technology absorption, Foreign Exchange earnings and outgo pursuant to the provisions of section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

A. **CONSERVATION OF ENERGY:**

The Company has always been taking various energy conserving / saving measures at all points to manufacturing continuously.

Energy conservation measures taken:

a. All foundry furnaces Retrofitted to reduce power losses.

b. Improved Power factors through installation of additional capacitors in all plants.

c. Optimum use of Continuous running of sealed quench furnace technique.

d. Implementation of energy efficient Crucibles & introduced insulation with high “K” factor.

e. Reduced lighting load.

f. Introduced variable frequency drives

g. Installation of Nitrogen Plant in all the 3 Plants to conserve Nitrogen Gas

h. Installation of LED Lighting system

B. TECHNOLOGY ABSORPTION:

(A) **Research and Development (R&D)**

Advantages derived as a result of R&D	**Piston Rings:**
	To comply with BS VI norms we developed PVD coated piston rings for 4S 2Wheelers and also for Diesel, Petrol and CNG fuel engines for 2 Wheelers, Cars and Truck applications.
	Developed and introduced 2nd ring for 4S vehicles with ceramic coating and MFI coating. Developed and productionized PVD coated 3 piece oil rings for 2Wh to meet with BS VI norms.
	Developed and introduced oil ring for steel i-section slotted ring with Nitrated coating for 4Wheelers and Commercial Vehicles.
	Piston:
	To comply with BS VI norms we developed asymmetric profile on piston ring lands and skirt areas to reduce oil consumption and white smoke. Developed and productionized hard anodized coating for piston ring grooves and crown to meet with high engine temperatures and reduce wear.
	Developed and productionized special aluminum alloy to meet with high temperatures of engine. Developed thin wall thickness casting to improve weight to strength ratio.

Future Plan of Action	Planning to develop and productionize taper and oval bore piston for Diesel Engines.
	To improve quality and meet with closed tolerances. Developed sophisticated special performance CNC machines 6 Station and 4 Station.
	Planning to introduce much more sophisticated surface coating technologies.
	Introduced World Class practices for continuous skill development of all employees and cost reduction.

EXPENDITURE ON R &D: (In lakhs)

		2021-22	**2020-21**
a)	Capital	22.49	35.41
b)	Recurring	12.71	20.00
a)	Total	35.20	55.41
c)	Total R & D Expenditure as A percentage of N.Sales	0.15%	0.25%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

A. During the year, the company's senior executives are in continuous interaction of prospective Customers for various countries to explore new export markets for its products.

B. Total foreign Exchange used and earned:

Total foreign Exchange used : Rs.1817.56 lakhs

Total foreign Exchange earned : Rs.5176.06 lakhs

for and on behalf of the Board

Sd/-
S. D. M. RAO
Chairman & Managing Director

Place : Hyderabad
Date : 27th May, 2022

ANNEXURE – 3

Report on Corporate Social Responsibility as per Rule 8 of Companies (Corporate Social Responsibility Policy)

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

i. Promotion of education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and Water; and

Rural development projects. Web link:

www.samkrgpistonsandrings.com

Composition of CSR Committee:

1	Mr. S Kishore	Chairman
2	Mr. K Chaitanya Abhishek	Member
3	Mr. Pinninti Raghu Prakash Swamy	Member

3. Average Net Profit for Last Three Financial Years:

Net Profit	**For the Financial Year ended 31st March (Rs. In Lakhs)**		
	2020-21	2019-20	2018-19
	1732.42	1959.81	2103.59
Average Net Profit for the preceding Three Financial Years	Rs. 1931.94Lakhs		

Prescribed CSR Expenditure (2% of Average Net Profit) Details of CSR spend for the financial year 2021-22	38.64 Lakhs
a. Total Amount Spent for the financial year	54.21 Lakhs.
b. Amount unspent, if any	Nil
Details of CSR spent for the financial year 2020-21	
a. Total Amount Spent for the financial year	58.11 Lakhs
b. Amount unspent, if any	Nil

c. Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or Activity Identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was Undertaken	Amount Outlay (budget) project or programs Wise	**Amount spent on the projects or programs Sub heads:** 1) Direct expenditure on Projects or programs 2) Overheads.	Cumulative expenditure upto the reporting period.	Amount spent: Direct or through implementing agency.
1	Developing Skill Development Center, Educational Support and infrastructure support, Construction of Toilets and providing clean drinking project.	Rural Development Project	Andhra Pradesh, Vijayanagaram Dist.	54.21 Lakhs	54.21 Lakhs	307.57Lakhs	Spent Directly
TOTAL				54.21Lakhs	54.21Lakhs	307.57 Lakhs	

7. The Company has to spend two percent of average net profits of the Last three Financial Years.

8. We hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives.

for and on behalf of the Board

Sd/-
S. Kishore
Chairman of CSR Committee

Place : Hyderabad
Date : 27th May, 2022

S. D. M. RAO
Chairman & Managing Director

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2022

FORM NO. MR.3

Pursuant to Section 204 (1) of the Companies Act, 2013 and the Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To
The Members,
M/s. ***SAMKRG PISTONS AND RINGS LIMITED***
1-201, DIVYA SHAKTI COMPLEX 7-1-58,
AMEERPET, HYDERABAD – 500016 Telangana.

1. I have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, on the compliance of applicable Statutory Provisions and the adherence to good corporate practices by M/s. SAMKRG PISTONS AND RINGS LIMITED CIN No: L27310TG1985PLC005423 (hereinafter called as **"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.

2. The company is engaged in the business of Manufacturing and supply of Automobile Pistons and Rings.

3. Based on my verification of the books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information and according to the examinations carried out by me and explanations furnished and representations made to me 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 31st March, 2022 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.

4. I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. SAMKRG PISTONS AND RINGS LIMITED (hereinafter called as **"the Company")** for the financial year from 1st April 2021 and ended with 31st March, 2022 ("Audit Period") according to the provisions of :

   i) The Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 (the Act) and the Rules made there under;

   ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

   iii) The Depositories Act, 1996 and the Regulations and bye-laws framed there under;

   iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and external Commercial Borrowings;

   v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

      a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

      b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

   As per the Management representation letter given by the concerned authority of the Company it is confirmed that the Directors, Promoters, Employees, Auditors and the Company Secretary of the Company were not directly or indirectly involved in the trading of Shares of the company during the period under which the trading window was closed.

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

d) The Securities and Exchange Board of India (Employee Stock Option Scheme) Guidelines 1999.

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

f) 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;

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

h) The Securities and Exchange Board of India (buyback of Securities) Regulations, 1998;

i) The following other laws as specifically applicable in the view of the Management.

(i) Income Tax act, 1961

(ii) Central Sales Tax, 1956

(iii) Telangana& Andhra Pradesh Value Added Tax

(iv) The payment of bonus Act, 1965

(v) Telangana& Andhra Pradesh Tax on Professions, Trades, Callings and Employments Act, 1987

(vi) Customs Act, 1962

(vii) Finance Act, 1994(Service Tax)

(viii) Factories Act, 1948

(ix) Industrial Disputes Act, 1947

(x) Minimum Wages Act, 1948

(xi) Payment of Gratuity Act, 1972

(xii) The Payment of Wages Act,1936

(xiii) The Maternity Benefit Act, 1961

(xiv) Telangana Shops & Establishment Act, 2014 & A.P. Shops & Establishment Act, 1988

(xv) The National and Festival Holidays Act, 1963

(xvi) Employees Provident Fund and Miscellaneous Provisions Act, 1952

(xvii) Employees Exchanges (Compulsory Notification of Vacancies) Act, 1956

5. I have also examined compliance of:

a. The applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and

b. the applicable Secretarial Standards.

6. I further report that, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. Mentioned above. However, please note for the Audit period:

(i) SEBI (ICDR) Regulations, 2009 are not applicable, as there being no further issues of any securities.

(ii) SEBI (ESOS & ESOP) Guidelines, 1999 are not applicable, as there being no schemes of the Company under the said Guidelines.

(iii) SEBI (Issue and Listing of Debt Securities) Regulations, 2008 are not applicable as there being no debt securities, which are listed on any of the recognized stock exchange.

(iv) SEBI (Delisting of Equity Shares) Regulations, 2009 are not applicable, as there being not instances of delisting of equity Shares.

(v) SEBI (Buyback of Securities) Regulations, 1998 are not applicable, as there being no instances of buy-back of shares.

(vi) The compliance of other specific applicable laws as listed in 4 (V) (i) above, were relied on the basis of representations and compliance certificates issued by the Managing director compliance officers and other officials of respective / concerned Departments of the company.

7. I further report that:

a. 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 compositions of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the act.

b. Adequate Notice is given to all the Directors to Schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance.

c. There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.

d. Majority decision is carried through and there were no instances of dissenting members in the Board of Directors.

e. It is also noted that the Company has an Internal Audit System to constantly monitor the process for efficient compliances.

f. Required forms were filed with MCA, additional fee paid wherever required.

8. I further report that there exist adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

9. I further report that during the audit period, there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., referred to the above.

UDIN number F004139D000658826
VBSS Prasad
Company Secretary
M.No. : F4139
CP No. : 4605

Place: Hyderabad
Date: 20/07/2022

Annexure to the Secretarial Audit Report

To
The Members,
M/s. **SAMKRG PISTONS AND RINGS LIMITED**
Hyderabad

My Secretarial Audit Report of even date is to be read along with this letter:

1. It is the responsibility of the management of the Company to maintain Secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. My responsibility is to express an opinion on these Secretarial records, Standards and procedures followed by the Company with respect to secretarial compliance.
3. I believe that audit evidence and information obtained from the company's Management is adequate and appropriate for me to provide a basis for my opinion.
4. Wherever required, I have obtained the management's representations about the compliance of laws, rules and regulations and happening of events etc.
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

VBSS Prasad
Company Secretary
M.No. : F4139
CP No. : 4605

Place: Hyderabad
Date: 20/07/2022

ANNEXURE - 5

PURSUANT TO THE PROVISIONS OF SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Median Remuneration of the employees of the company for the financial year is Rs. 3,81,900/-

S. No.	Disclosure Requirement	Name of Director/ KMP	Designation	Yearly remuneration	Ratio to median remuneration
I	Ratio of Remuneration of each Director to the median remuneration of the employees of the Company for the financial year:	Shri S.D.M. Rao	Managing Director	53,56,000/-	7.10
		Shri S. Karunakar	Whole time Director	63,87,000/-	5.97
		Shri S. Kishore	Whole time Director	63,87,000/-	5.97

Number of permanent employees on the rolls of the company as on March 31, 2022: 742

It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees

Not applicable as there is no variable component of remuneration availed by the Directors. However,

commission is payable to Managing Director and Independent Directors of the Company depending on the

net profit for the financial year not exceeding the overall limit as per section 198 read with schedule V of the

Companies Act, 2013.

Statement showing particulars of Employees pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 for the year ended 31st March, 2022.

Name of the Employee	Age	Designation	Qualification &Experience	Date of commencement of employment	Remuneration &Commission	Particulars of last employment
Shri S. Karunakar	59Years	Whole Time Director	B.E (Mechanical)	30.09.1998	63,87,000/-	N.A
Shri S. Kishore	58Years	Whole Time Director	B.E (Mechanical)	30.09.1998	63,87,000/-	N.A
Shri S.D.M. Rao	88Years	Chairman & Managing Director	B.Sc, B.E Industrial Experience over 50 years	01.07.1987	53,56,000/-	A.P.S Limited
N. Ratna Kumari	60 Years	General Manager	B.A., MBA	01.07.1998	13,56,000/-	N.A
S. Monish	27 Years	General Corporation Manager	B.E. Engineer	01.08.2016	12,00,000/-	N.A
K. Ramesh	54 Years	General Manager	Diploma In Mechanical Engg	02.05.1992	8,57,112/-	N.A

Name of the Employee	Age	Designation	Qualification &Experience	Date of commencement of employment	Remuneration &Commission	Particulars of last employment
S. Satyam	50 Years	Dy.General Manager	Diploma In Mechanical Engg	04.08.1995	7,59,156/-	N.A
Sk. Mastan	56 Years	Dy General Manager (D&D)	Diploma In Mechanical Engg	19.09.1997	7,31,748/-	Sri Sudha Marines
BV.Satyanaryana	55 Years	Manager (T/R & P/S)	ITI	26-04-1988	7,06,596/-	N.A
T. Murlikrishnan Murthy	55 YEARS	Deputy Manager Finance	Bcom CA (Inter)	10.03.1997	6,97,200/-	Sri Sudha Marines

Management Discussion and Analysis Report

INDUSTRY STRUCTURE AND DEVELOPMENT OF THE INDUSTRY:

Your Company is in manufacturing of auto components such as Pistons, Gudgeon Pins, Rings, Auto shafts required for commercial vehicles, tractors, and heavy-duty stationery engines. The market is divided into many segments such as export market, replacement market, OEM market. These are distinct from one another and have distinct advantages and plights. The auto component manufacturers mainly cater to two types of buyers, i.e., the original equipment manufacturers (OEMs) and the replacement segment.

Our Company growth is linked with the automobile industry growth and on overall growth of rural economy. Indian Auto Component Industry is growing as potential Global automotive supplier with very good export potential to the developing Countries during the year 2021-22 and is continuing Domestic Auto Component Industry has slow down due to second and third wave of Covid'19.

Now the government is fully extending great support for hybrid electric vehicles during the year 2021-2022 and at the same time government is introducing stringent norms by introducing BS VI standards and safety norms during the year 2021-2022 below 150cc IC engine 3-wheeler vehicles and motorcycles and complete by 2025 because of this slow down effect in the Automobile Parts Industry and particularly 2 & 3 wheelers during these years.

OPPORTUNITIES AND THREATS

With the introduction of Electric Vehicles opportunities have increased and with the ban of I.C engines the threat is also equally affected your company. To meet with this situation our company has to become very cost effective by introducing sophisticated technology at high expense.

The Company has very good opportunities because of long term business relationship with valued customers both in Domestic OEM's and agricultural tractors and Replacement Market & Exports.

Because of your company meeting on time supplies, superior quality and cost-effective products and our technical expertise both from Japanese & German Consultants.

The Company has got a diverse product portfolio across all market segments i.e., OEM's, after Market and Export Market and all vehicle segments and a very strong distribution network at aftermarket sales.

OUTLOOK:

In the beginning of 2021-2022 lockdown was introduced to counter 2nd & 3rd wave of COVID'19 effect. The lockdown was introduced from May, 2021 and continued for 3 months. That means, during the 1st quarter the business is more or less 40% of normal. As per the reports, it is likely to recover business from 3rd quarter and expect good business during the year 2022-'23.

Under these circumstances, the Company is putting all efforts to drive for sustainable growth. In view of strong support of OEM's and because of establishing good distribution network, Company is poised for comeback and work for study growth.

Several cost effective and time- bound steps have been taken with technical support from Japan to meet the changing expectations of customers, challenges of price competition and also zero-defect quality and delivery. Your company has now fully developed and revalidated the products complying BS-VI norms of all major OEM suppliers and now for Replacement Market received orders for supply from October/November 2020.

This established and poised for moderate demand growth with all OEM's & Replacement Market during the year 2020-2021 and there on.

INTERNAL CONTROL SYSTEM:

Your company maintains and adequate and effective internal control system to commensurate with its size and complexity. An independent internal audit function is an important element of your company's internal control system. The internal control system is supplemented through an extensive internal audit program and periodic review by management and audit committee.

INDUSTRIAL RELATIONS:

Industrial relations during the year is little distributed due to high inflations & price rises of all commodities are on very much increasing side. The Company encourages good talent and introduced skill development program in the rapidly challenging business and competitive environment. Adequate safety measures, training and development of the employees continue to receive top priority.

FINANCIAL PERFORMANCE:

The Company earned total gross revenue of Rs.28919.82 lakhs compared with Rs 27567.96 lakhs in the previous year.

Profit Before Depreciation, interest and tax (PBDIT) at Rs. 3419.77 lakhs. The Profit Before Tax was at Rs 1921.48 lakhs.

KEY FINANCIAL RATIOS:

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Amendment Regulations,2018 the Company is required to give details of significant changes (changes of 25% or more as compared to immediately previous financial year) in financial ratios are as follows:

Particulars	2021-22	2020-21
Inventory Turnover Ratio	4.81	4.56
Interest Coverage Ratio	22.11	35.67
Current Ratio	2.23	2.03
Debt Equity Ratio	0.11	0.02

The details of return on net worth is as follows:

Particulars	2021-22	2020-21
Return on net worth	0.08	0.10

STATUTORY COMPLIANCE:

The Chairman & Managing Director and Chief Financial Officer makes a declaration at each Board Meeting regarding the compliance with provisions of various statutes after obtaining confirmations from all the units of the company. The Company ensures compliance with SEBI regulations and provisions of the listing agreement

HUMAN RESOURCES

The Company maintains continuously planning to have cordial industrial relations environment and the Company continues to establish its training facilities at all levels of employees for cost reduction programmes.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objective, projections, estimates and expectations may constitute forward looking statements within the meaning of applicable laws and regulations. Actual results might differ marginally or materially from those either expressed or implied.

10 YEARS RECORD

A chart showing 10 Years performance is appended forming part of this report is attached at Performance

Highlights.

EXPORTS

The Company is focusing exports to developed Countries like Europe, U.K, France, Germany, Spain Brazil and Russia and also to Gulf & Asian Countries. The Company has plans to reach 25% of the Turnover during the next 2 years.

POLLUTION CONTROL SAFETY & ENVIRONMENTAL PROTECTION:

We are complying all the norms prescribed by the statutory authorities' i. e. Telangana State & A. P. Pollution Control Board.

The Company is very much concerned for safety of men and machines through safety awareness training programs.

DISCLOSURE OF PARTICULARS

The information required under section 134(3)(m) of the Companies Act, 2013 is given in Annexure-2.

REPORT ON CORPORATE GOVERNANCE

Report pursuant to Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the requirements of corporate governance is set out below:

1. Company's philosophy on Code of Corporate Governance

Samkrg Pistons and Rings Limited defines Corporate Governance as a process directing the affairs of the Company with integrity, transparency and fairness, so as to optimize its performance and maximize the long-term shareholder value in legal and ethical manner, ensuring justice, courtesy and dignity in all transactions of the Company. Your Company is committed to good Corporate Governance in all its activities and process.

2. BOARD OF DIRECTORS:

a) The present strength of Board of Directors is consisting of Eight, three are Executive Directors, One Non-Executive Director and the other Four are Non-Executive Independent Directors (NED).

During the year, there was no pecuniary relationship or business transaction by the Company with any non- executive Director, other than the sitting fee for attending the Board /Committee meetings.

The Board of Directors and the management of Samkrg Pistons and Rings Limited are committed to:

- Ensuring discipline, transparency and accountability and shareholder value.
- To provide adequate customer service focusing the activities on customer expectations and meeting them and
- Comply with all statutory/regulatory requirements.

b) DETAILS OF BOARD MEETINGS

During the Financial Year 2021-2022 the Board of Directors met 4(Four)times on are 21.06.2021,04.08 .2021,01.11.2021 and 07.02.2022.

The following table gives the composition of Directors and their attendance at the Board meetings held on the dates above mentioned, and the Thirty Sixth Annual General Meeting held on 28th September, 2022.

Name of the Director	Category	No of Board meetings attended	Attendance at Last AGM	No. of outside directorships held
Mr. S.D.M Rao	ED	4	YES	Nil
Mr. M.N. Thakkar	NED	3	YES	2
Mr. S Madhava Rao	NED	4	YES	NIL
Mr. S Karunakar	ED	4	YES	Nil
Mr. S Kishore	ED	4	YES	Nil
Mr. K Chaitanya Abhishek	NED	4	YES	Nil
Ms. Nama Rishita	NED	4	YES	NIL
Mr. Pinninti Raghu Prakash Swamy	NED	4	YES	NIL

ED - Executive Director, NED - Non-Executive Director

Pursuant to Regulation 34(3) read with Schedule V Part(C)(2)(h) of Listing Regulations the Board of Directors has identified the following the requisites kills/expertise and competencies for the effective functioning of the Company which are currently available with the Board.

S. No.	Name of the Directors	Designation	Core skills/expertise/competencies
1.	Shri S D M Rao	Chairman & Managing Director	Shri S D M Rao is qualified B.Sc., B.E and having more than 50 years of industrial experience.
2.	Shri S. Karunakar	Whole Time Director	Shri S. Karunakar is qualified B.E (Mechanical) and having varied industrial experience.
3.	Shri S. Kishore	Whole Time Director	Shri S. Kishore is qualified B.E (Mechanical) and having varied industrial experience.
4.	Shri M N Thakkar	Independent Director	Shri M N Thakkar is qualified B.Com, FCA and having varied experience in handling accounting, auditing and management consultancy since 1967.
5.	Shri K Chaitanya Abhishekh	Independent Director	Shri K Chaitanya Abhishekh is qualified B.Tech(Mechanical) and having more than 13 years of experience in marketing and supply chain management.
6.	Shri S MadhavaRao	Non-Executive Director	Shri S MadhavaRao has great industrial experience of more than 30 years.
7	Shri Pinninti Raghu Prakash Swamy	Independent Director	Shri Pinninti Raghu Prakash Swamy is qualified M.Sc (Agricultural Economics) and having more than 35 years of experience as DRO in Bank of India and retired from the post of Chief Manager.
8	Ms. N Rishita	Independent Director	Ms.N Rishita is qualified B.Tech,MS (Bradford England) and having 9 years of experience in the field of HR

Pursuant to Clause C(2)(i) of Schedule V read with Regulation 34(3) of Listing Regulations, in the opinion of the Board all the independent directors fulfill the conditions as specified in the Listing Regulations and are independent of the management.

c) Information placed before the Board:

Apart from the items that are required to be placed before the Board for its approval, under the statutes the following are also tabled for Board's Periodic Review / Information.

- Minutes of meetings of Audit Committee and other Committees of the Board;
- Annual operating plans, capitals & revenue budgets and updates;
- Quarterly financial results of the Company;
- Materially important show cause, demand, prosecution and penalty notices;
- Information on recruitment and remuneration of senior officers, just below the Board level;
- Non-compliance of any regulatory, statutory or listing requirements and shareholder rservices.
- important labor problems and their proposed solutions;

d) Directors seeking re-appointment.

Shri S Karunakar, Director, retire by rotation at the forthcoming Annual General Meeting, as per recommendation of nomination and remuneration committee, seek re-appointment.

Code of Conduct

We at Samkrg Pistons and Ring Limited have laid down a code of conduct for all Board Members and Senior Management personnel of the Company. The code of conduct is available on the Website of the Company i.e. www.samkrgpistonsandrings.com the code has been circulated to all the members of the Board and Senior Management and they have affirmed compliance with the code of conduct. A declaration signed by the Managing Director to this effect is attached to the Annual Report.

3. BOARD COMMITTEES:

The Company currently has the following committees of the Board:

a. Audit Committee

b. Nomination & remuneration committee

c. Stakeholders' relationship committee

a. Audit Committee:

Brief description of terms of reference:

The terms of reference of this committee cover the matters specified for the audit committee under Listing Regulations as well as in Section 177 of the Act. The audit committee was constituted to ensure prudent financial and accounting practices, fiscal discipline and transparency in financial reporting. The quarterly results are reviewed by the audit committee and recommended to the board for its adoption. The Chairman of the committee is an Independent Director having knowledge in Finance.

Terms of Reference of Audit Committee of the Board of Directors are as under:

The Audit Committee during the year ended 31st March, 2022 comprised of Three members out of whom there are Two Non-Executive Independent Director and One Whole time Director Viz., Shri K Chaitanya Abhishek (Chairman and Non-Executive Director of the Committee), Ms. Nama Rishita (Non-Executive Independent Director) and Mr. S.Kishore (Whole time Director) who are financially literates and chairman is an expert in financial management.

Representatives of the Management, Finance Department and Statutory Auditors are invitees to the Meeting of the Audit Committee.

- Review of accounting and financial policies and practices of the company.
- Review of the company's financial reporting process, and its financial statements.
- Review of risk management and policies and practices.
- Review of the internal control and internal audit system.
- To review quarterly, half yearly and annual financial results before submission to the board.

Name	No. of Meetings Held	No of Board meetings attended	No of Board meetings attended through Conference call
Mr. K Chaitanya Abhishek (Chairman)	4	4	Nil
Ms. N Rishita	4	4	Nil
Mr. S. Kishore	4	4	Nil

The audit committees met on four occasions i.e., are 21.06.2021, 04.08.2021, 01.11.201 and 07.02.2022.

The audit committee reviewed the concurrent audit reports and follow up including internal control systems prevailing in the company. Committee expressed its satisfaction on Accounts.

b. Nomination & remuneration committee

Pursuant to Section 178 of the Act and Regulation 19 of the Listing Regulations, the Board of Directors has duly constituted the Nomination & Remuneration Committee.

Brief description of terms of reference:

The Committee reviews appointment of Directors and Key Managerial Persons. The Committee has formulated the criteria for determining qualifications, positive attributes and independence of a director.

Executive Directors

The compensation of the executive directors comprises of fixed component and a performance incentives/ commission. The compensation is determined based on the levels of the responsibility and scales prevailing in the industry. The executive directors are not paid sitting fee for any Board or Committee meetings attended by them.

Non-Executive Directors

Non-Executive Directors are paid sitting fee only.

The Remuneration committee presently comprises of three non-executive directors i.e. Shri. K Chaitanya Abhishek, Ms. Nama Rishita and Shri S Madhava Rao).

The Committee met once during the year and all the committee members attended the meetings.

Roles and Objectives:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of Independent Directors and the Board.
3. Devising a policy on board diversity.
4. 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 and removal.
5. The Nomination & Remuneration Committee also has a role as defined under Regulation 19(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

REMUNERATION OF DIRECTORS:

The details of remuneration paid/payable to all the directors for the year 2021-22 are:

i. Non executive directors (sitting fee only)

Mr. M.N. Thakkar	30000/-
Mr. S. Madhava Rao	40000/-
Mr. Pinninti Raghu Prakash Swamy	40000/-
Mr. K Chaitanya Abhishek	40000/-
Ms. N Rishita	40000/-

ii. Managing/whole time Director (No Sitting fee)

	Managing Director	% To Net Profit	Whole Time Director	% To Net Profit	Whole Time Director	% To Net Profit
Fixed						
Salary	44,25,000/-		45,25,000/-		45,25,000/-	
Variable						
Commission	9,31,000/-		18,62,000/-		18,62,000/-	
Total	**53,56,000/-**	**2.89%**	**63,87,000/-**	**3.32%**	**63,87,000/-**	**3.32%**

c. Stakeholders' relationship/ Grievance committee

Pursuant to Section 178 of the Act and Regulation 20 of the Listing Regulations, the Board of Directors has duly constituted the Stakeholders' Relationship Committee.

Brief description of terms of reference:

The Committee reviews the performance of the Company's Registrar and Transfer Agent and also recommends the Board measures for overall improvement for better investor services.

Roles and Objectives:

To look into complaints of shareholders and investors pertaining to transfer / transmission of shares, non-receipt of share certificates, on-receipt of dividends, non-receipt of annual reports, issue of duplicate share certificates and other miscellaneous complaints.

The Committee is responsible for satisfactory Redressal of Investor's complaints.

The Stakeholder Relationship Committee also has a role as defined under Regulation 20(4) of SEBI (Listing Obligations and

Disclosure Requirements) Regulation, 2015

The Shareholders Relationship/Grievance Committee comprises three Directors names as follows:

Shri. S Madhava Rao	Chairman	Non-Executive
Shri. S Karunakar	Member	Executive
Ms. Nama Rishita	Member	Non-Executive

The Committee met once during the year. All the members have attended all the meeting. Company Secretary is compliance officer of the company.

The company has attended to most of the investor's grievances/correspondence within a period of 15 days from the date of receipt. Almost all the rest of the grievances was attended within the maximum period allowed under respective regulations. The transfers were completed within the maximum period allowed.

4. ANNUAL GENERAL MEETINGS:

Year	Location of holding AGM	Date and Time of AGM
2020-2021	The 35th AGM was held through VC/OAVM from the registered office of the company.	28th September, 2021 at 11.00 A.M
2019-2020	The 34th AGM was held through VC/OAVM from the registered office of the company	23rd September, 2020 at 11.00 A.M
2018-2019	The 33rd AGM Hotel Grandeur, opp: J C Brother, Beside New Science College, Main road, Ameerpet, Hyderabad – 500073	24th September, 2019 at 11.00 A.M

Special Resolutions passed during the previous three Annual General Meetings:	
35th Annual General Meeting	There was One Special Resolution
34th Annual General Meeting	There was One Special Resolution
33nd Annual General Meeting	There were Four Special Resolutions

5. DISCLOSURES

a) Related party transactions during the year have been disclosed as part of financial statements as required under Indian Accounting Standard issued by The Institute of Chartered Accountants of India. The Audit Committee reviews these transactions. The Policy on Related Party Transactions has been uploaded on the website of the Company i.e. www.samkrgpistonsandrings.com under Investor relation/ Investor Information tab.

b) There were no instances of non-compliance by the company or penalties, strictures imposed on the company by stock exchanges or SEBI or any other statutory authority on any matter related to capital markets, during the reporting period of last three years.

c) The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. The Company has whistle blower policy wherein the employees 61 are encouraged to report violation of laws, rules and regulations. The confidentiality of such reporting is maintained and is not subject to any discriminatory practice. We affirm that no employee has been denied access to the Audit Committee. The said Whistle-Blower Policy has been hosted on the website of the Company.

d) During the year, the Company has fully complied with the mandatory requirements of corporate governance as per SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Company voluntarily formulated Risk Management Committee and it has been complying the respective provisions applicable with it.

e) To promote ethical conduct and maintain high standards in carrying out business transactions of the company, a Code of Conduct has been laid down for procedures to be followed by Board members and the senior management employees. This code is also posted on the company's website.

f) The Managing Director and CFO have issued a certificate pursuant to the provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, certifying that the financial statements do not contain any untrue statements and these statements represent a true and fair view of the company's affairs. The said certificate is annexed.

g) No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three year.

The Company has complied provisions as prescribed in Regulation 17 to 27 and Clause (b) to (i) of sub regulation (2) of Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Regulations 21 and 24 of SEBI (Listing Obligations &Disclosure Requirements) Regulations, 2015 are not applicable to the Company

6. MEANS OF COMMUNICATION

Quarterly Financial Results of the Company are submitted to the BSE Limited and published in Financial Express (English) and Andhra Prabha/ Nava Telangana (Telugu). And it is also available on website of the company.

7. POSTAL BALLOT

The company did not pass any resolution by postal ballot during the Financial Year 2021-22.

8. GENERAL SHAREHOLDER INFORMATION:

Date, Time and Venue of the 36thAnnual General Meeting	28th September, 2022 at 11 A.M. Through VC/OAVM
Financial Calendar	April to March
First quarter results	On or before 2ndweek of August 2021
Second quarter results	On or before 3rdweek of November 2021
Third quarter results	On or before 3rdweek of Feburary 2022
Results for the year ending Mar,2022	On or before ending of May 2022
Date of Book Closure	22ndSeptember 2022 to 28thSeptember 2022 (Both days inclusive)
Listing on Stock Exchanges	BSE Limited
Stock Code	520075 (BSE)
Demat ISIN No for CDSL and NSDL	INE706B01012
Dematerialization of shares	97.38% of the paid-up capital has been Dematerialized as on 31.03.2022

Stock Performance:

The performance of the company's shares on the BSE is given in the chart below:

MARKET PRICE DATA ON Company's SCRIP ON BSE DURING THE YEAR 2021 - 2022

Month	High Rate	Low Rate
April, 2021	157.00	135.80
May, 2021	178.80	151.00
June, 2021	222.50	167.10
July, 2021	226.00	196.05
August, 2021	252.00	151.00
September, 2021	188.70	162.40
October, 2021	177.00	146.60
November, 2021	174.75	141.00
December, 2021	176.00	149.05
January, 2022	194.50	154.00
February, 2022	185.40	133.00
March, 2022	160.35	139.05

Outstanding ADR/GDR Registered Office	Not Issued 1-201, Divya Shakti Complex, 7-1-58, Ameerpet , Hyderabad - 500016 Ph.No.040-23730596, 23735578,Fax 040-23730216 E-mail: admin@samkrg.com
Plant Locations	PLANT-I (Pistons)& (Steel Ring), Sy.No.537,TempleRoad, Bonthapally Narsapur Taluk, Sangareddy District.
	PLANT-II (Rings) Sy.No.33, Varisam, Pydibhimavaram, Ranastalam Mandal, Srikakulam District.
	PLANT-III (Pistons) Sy.No.232, Arinama, Akkivalasa, Allinagaram, Etcherla Mandal, Srikakulam District.
Investors' correspondence & share Transfer Agent in Physical form & In Electronic Mode	M/s XL Softech Systems Ltd 3, Sagar Society, Road No.2 Banjara Hills Hyderabad - 500034 Tel(040) 23553214
Transfer of shares (Electronic Form)	As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April1,2019, except in case of request received for transmission or transposition of securities.
Compliance Officer	Mrs. Surabhi R Jain
Share Transfer System	Share transfers are registered and returned within a period of thirty days from the date of receipt, if the documents are in order in all respects.

Dividend Declared for the last 10 years

2010-11	45%	2011-12	35%	2012-13	25%
2013-14	25%	2014-15	30%	2015-16	40%
2016-17	45%	2017-18	50%	2018-19	50%
2019-20	50%	2020-21	50%		

Closing price of Company's Shares on Stock Exchange, Mumbai on 31.03.2022	144.75
All Time high of Company's Share price on Bombay Stock Exchange Limited	379.00

Secretarial Audit	Secretarial Audit is being carriedout every quarter by apracticing Company Secretary and audit report is placed before the Board for its perusal and filed regularly with the Stock Exchanges within the stipulatedtime.

PATTERN OF SHAREHOLDING AS ON 31.03.2022

Description	No. of Shareholders	%	No. of Shares	%
Promoters	**9**	**0.075**	**6567839**	**66.88**
Individuals	**11267**	**95.128**	**2886056**	**29.39**
FIIs, NRIs/OCB	**171**	**1.443**	**88074**	**0.90**
Financial Institutions and Banks	**2**	**0.016**	**1200**	**0.01**
Mutual Funds	**0**	**0.00**	**0**	**0.00**
Trust	**1**	**0.008**	**255**	**0.003**
HUF	**313**	**2.642**	**145863**	**1.49**
Bodies Corporate	**59**	**0.498**	**120160**	**1.22**
Clearing Members	**22**	**0.185**	**11053**	**0.11**
TOTAL	**11844**	**100.00**	**9820500**	**100.000**

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2022

	Range	No. of Shareholders	%	Share Amount	
				In Rs.	%
Up to	5,000	10824	91.39	12673800	**12.91**
5,001	10,000	577	4.87	4562530	**4.65**
10,001	20,000	251	2.12	3660230	**3.73**
20,001	30,000	77	0.65	1930110	**1.97**
30,001	40,000	32	0.27	1167090	**1.00**
40,001	50,000	22	0.19	1010630	**1.03**
50,001	1,00,000	29	0.24	2011860	**2.05**
1,00,001	& Above	32	0.27	71188750	**72.49**
	TOTAL	**11844**	**100.00**	**98205000**	**100.00**

Declaration on Code of Conduct

This is to confirm that the Board has laid down a code of conduct for all Directors and Senior Management personnel of the Company. It is further confirmed that all Director and Senior Management personnel of the Company affirmed compliance with the Code of Conduct of the company for the financial year ended on 31st March, 2022 as envisaged in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sd/-
S.D.M. RAO
CHAIRMAN & MANAGING DIRECTOR

Place : Hyderabad
Date 27th May, 2022

CERTIFICATE BY CEO/CFO

Pursuant to the provisions of SEBI (LODR) Regulations, 2015, it is hereby certified that for the financial year ended March 31, 2022:

We have reviewed the financial statements and the cash flow statements for the year and that to the best of our knowledge and belief, these statements:

Do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

Together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's Code of Conduct.

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

We have indicated to the Auditors and the Audit Committee:

Significant changes in internal control over financial reporting during the year;

Significant change in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and Instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
S.D.M. RAO
CHAIRMAN & MANAGING DIRECTOR

Place: Hyderabad
Date :27th May, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Samkrg Pistons & Rings Limited
Report on the Indian Accounting Standards (Ind AS) Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Samkrg Pistons & Rings Limited ("the Company"), which comprises the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the afore said 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 accounting principles generally accepted in India, of the standalone state of affairs of the Company as at March 31, 2022and its standalone profit (including Other Comprehensive Income), standalone changes in equity and its standalone cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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.

Emphasis of Matter

As the Covid-19 effect is continued upto Ist Quarter of 2021-22, the business of the company is 40% of normal as per the Management information. The Company is likely to recover from 3rd Quarter and expected good business in the ensuing years as per management information and having good customer base and sophistication of Technology to meet out production and avail opportunities due to introduction of Electric Vehicles. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Following is the Key Audit Matter identified which is of most significance:

TRADE RECEIVABLES: Trade Receivables accounts for 53.89% of total current assets of the company.

The Company is not exposed to potential risk of financial loss as there is no risk of default on receivables from the customers . As the company has good valued customers both in domestic OEM's and Replacement market and Export.

We have performed the following procedures in relation to recoverability of Trade Receivables

- Tested the accuracy of trade receivables at year end on sample basis
- Obtained a list of Outstanding Receivables and evaluated its recoverability through discussion with management.
- Assessed the recoverability Trade Receivables through sample basis through our evaluation of management assessment with reference to
  (a) Credit Profile of Customers
  (b) Historical Payment pattern of customers
  (c) Tested subsequent settlement of trade receivables after the balance sheet date on a sample basis.

  Based on above procedures we found the key judgements and assumptions used by management in the recoverability of assessment of Trade Receivables to be supported based on available evidence

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone Ind AS Financial Statements, Secretarial Report and our auditor's report thereon, which we obtained prior to the date this auditor's reports.

Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS 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 Ind AS 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 Ind AS Financial Statements that give a true and fair view of the standalone financial position, standalone financial performance (including other comprehensive income), standalone changes in equity and standalone cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

We also:

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

  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 Ind AS 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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by Central Government of India in terms of sub-section (11) of section 143 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.

2. As required by Section 143(3) of the Act, we report that:

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

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

   c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure-B.**

   g. As required by section 197 (16) of the Act; in our opinion and according to information and explanation provided to us, the remuneration paid by the company to its directors is in accordance with the provisions of section 197 of the Act and remuneration paid to its directors is not in excess of the limit laid down under this section.

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

      i) The Company has not any pending litigations and disclosure of the same is not applicable.

      ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March 2022.

      iii) There has not been any delay in transferring amounts, required to be transferred, to the investor Education and Protection Fund by the Company.

For SRIDHARA CHARY V & CO.,
Chartered Accountants
FRN- 011478S

V.SRIDHARA CHARY
Proprietor
Membership No. 218343
UDIN : **21218343AAAADM5723**

Place : HYDERABAD
Date : 27/05/2022

Annexure - A to the Auditor's Report

Referred to in paragraph 1 of our Report on Other Legal and Regulatory Requirements of even date to the Members of Samkrg Pistons and Rings Limited.

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets with respect to most of its fixed assets and is in the process of updating quantitative and situation details with respect to certain fixed assets in the records maintained by the company.

(b) The fixed assets of the Company are physically verified by the Management as per policy. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of immovable properties as disclosed in note 1 on Property, Plant & Equipment to the financial statements, are held in the name of the Company.

(d) The company has not revalued its PPE or intangible assets or both during the year.

(e) There are no proceedings initiated or pending as specified in clause 3(i)(e) of CARO ,2020 against the company, as per the information and explanations from the company.

(ii) (a) The inventory was physically verified during the year by the management. In our opinion the frequency of verification is reasonable. Discrepancies between the physical stock and the book records noticed on verification were properly dealt with in the books of accounts.

(b) The company has been sanctioned working capital limits in excess of Rs. 5 Crore rupees in aggregate, from STATE BANK OF INDIA,IFB, SOMAJI GUDA,HYDERABAD on the basis of security of its current assets. The quarterly returns/statements filed by the company with such bank are in agreement with the books of accounts of the company

(iii) According to information and explanations given to us, the Company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013, accordingly the reporting under Clause 3 (iii)(a) to 3(iii)(f) of the Companies (Auditor's report) Order, 2020, is not applicable to the Company.

iv) 3(iv). According to information & explanations given to us, the company has not granted any loans,secured or unsecured to firms, LLP'S or other parties covered by provisions Sections 185 and 186 of the Companies Act, 2013.Hence reporting on whether there is a compliance with the said provisions does not arise.

v) 3(v). According to information and explanation given to us, the Company has not accepted any deposits from public, accordingly the reporting under Clause 3 (v) of the Companies (Auditor's report) Order, 2020, is not applicable to the Company.

(vi) We have broadly reviewed the books of accounts and records maintained by the Company relating to manufacture of base metals castings (Auto-components of Aluminum& Steel) pursuant to the rules made by Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.

(vii) (a) According to information and explanation given to us, the Company is generally regular in depositing undisputed statutory dues with appropriate authorities including Provident fund, Employees' State insurance, Income tax, Sales tax, Service Tax, Duty of Customs, Duty of excise, Value added tax, Goods and Services tax, cess and any other statutory dues applicable to it.

(b) According to the information and explanations provided to us, no disputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Sales Tax, Goods and Services Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to information and explanation given to us, there are no dues of Income tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Goods and Services tax and Cess which have not been deposited on account of any dispute other than those mentioned below.

(d) Details of Statutory dues pending at various Forums:

Rupees in Lakhs

Sr. No.	Statutory Dues, Nature of Dues	Forum	Outstanding Balance
1	Sales Tax Act,1956- Entry Tax	ADC(CT).	22.47
2	VAT ACT,2005-Entry Tax 2011-12 to 2016-17	ASSISTANT COMMISSIONER STATE TAX,PUNJAGUTTA,HYDERABD	48.85
3	INCOMETAX (2015-16)	APPELAATE TRIBUNAL, HYDERABAD	16.02

(viii) According to information and explanation given to us, in our opinion the Company not having any unrecorded income disclosed in the tax assessments as per the clause 3(viii) of CARO 2020.

(ix) (a) According to the information and explanation given to us, in our opinion the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The company has not been declared a willful defaulter by any bank of financial institution or other lender.

© As per the information and explanation given to us there were no term loans raised by the company during the year under audit. Hence clause 3(ix)(c) of CARO 2020 does not apply to this company.

According to the information and explanations given to us and on overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment by the company.3(ix)(d) of CARO 2020.

As per the information and explanations and overall examination of books of account the company has not any subsidiary/associate/joint venture. Hence reporting requirements of this clause 3(ix)(e) of CARO 2020 does not apply to this company.

As the company has not any subsidiary etc., as mentioned above clause 3 (ix)(f) is not applicable to this company.

(x) (a) The company has not raised any moneys by way of IPO or further public offer during the year under audit. The reporting requirements of clause 3(x)(a) does not apply to this company.

(b) The company has not made any preferential allotment or private placement of shares and the company does not have debentures during the year and clause 3(x)(b) does not apply to this company

(xi) As per the information and explanation produced before us there were no frauds by the company or any fraud on the company has been noticed or reported during the year. Clause 3(xi) of CARO,2020

(xii) The Company is not a Nidhi Company, accordingly the reporting under Clause 3 (xii) of the Companies (Auditor's report) Order, 2020, is not applicable to the Company.

(xiii) According to information and explanation given to us, in our opinion all transactions with related parties are in compliance with sections 177 & 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in notes to accounts of Financial Statements as per Ind AS 24 - Related Party Disclosures.

(xiv) The company has got adequate internal audit system commensurate with the size and nature of business

(xv) According to information and explanation given to us, the Company has not entered into non-cash transactions with directors or persons connected with him; accordingly, provisions of section 192 are not applicable to the Company.

(xvi) According to information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(xvii) The company has not incurred cash losses in the financial year and in the immediately preceding financial years.

(xviii) There has not been any resignation of statutory auditor during the year clause 3(xviii) of CARO,2020

(xix) On overall analysis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities,other information accompanying the financial statements, knowledge of the Board of Directors and Management plans we are of the opinion that there is no material uncertainty exists as on the date of the audit report that the company is 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.

(xx) As per the information and explanations produced before us the company has spend an amount of Rs.54.21 towards CSR and there is no unspent amount on that account.

(xxi) The information required to be furnished under clause 3(xxi) is not applicable to this company.

For SRIDHARA CHARY V & CO.,
Chartered Accountants
FRN- 011478S

V.SRIDHARA CHARY
Proprietor
Membership No. 218343
UDIN : 21218343AAAADM5723

Place : HYDERABAD
Date : 27/05/2022

Annexure - B to the Auditor's Report

(Referred to in paragraph 2(f) of our Report on Other Legal and Regulatory Requirements of even date to the Members of Samkrg Pistons & Rings Limited)

Report on the Internal Financial Controls with reference to Standalone Ind AS 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 Ind AS Financial Statements of **Samkrg Pistons & Rings Limited** ("the Company") as of 31st March, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 internal financial controls with reference to Financial Statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to Standalone Ind AS 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 over financial reporting with reference to Standalone Ind AS Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to Standalone Ind AS 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, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2022 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SRIDHARA CHARY V & CO.,
Chartered Accountants
FRN- 011478S

V.SRIDHARA CHARY
Proprietor
Membership No. 218343

Place : HYDERABAD
Date : 27/05/2022

UDIN : 21218343AAAADM5723

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
SAMKRG PISTONS AND RINGS LIMITED.

We have examined the compliance of conditions of Corporate Governance by Samkrg Pistons & Rings Limited (the Company) for the year ended on 31st March, 2022, as stipulated under Regulation 15 (2) read with Schedule V Part E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(as amended)

We further state such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For SRIDHARA CHARY V & CO.,
Chartered Accountants
FRN- 011478S

V.SRIDHARA CHARY
Proprietor
Membership No. 218343
UDIN : 21218343AAAADM5723

Place : HYDERABAD
Date : 27/05/2022

BALANCE SHEET AS AT 31ST MARCH 2022

₹ In Lakhs

	Particulars	Note No.	2021-22 Figures at the End of the Current Reporting Period	2020-21 Figures at the End of the Previous Reporting Period
II.	**ASSETS : NON CURRENT ASSETS**			
	(1) Fixed Assets		13824.12	13995.81
	(a) Tangible Assets	1	**13141.60**	**14076.52**
	(b) Intangible Assets			
	(c) Capital Work-in-progress		350.00	0.00
	(d) Intangiable assets under development			
	(e) Non-Current investments			
	(f) Deferred Tax assets (net)			
	(g) Long-Term loans and advances	2	332.53	332.53
	(h) Other non-current assets			
	(2) Current Assets		**8516.87**	**7342.12**
	(a) Current Investments			
	(b) Invenotries	3	3692.32	2289.62
	(c) Trade receivables	4	4590.16	4721.76
	(d) Cash and Cash equivalents	5	70.09	71.60
	(e) Short-term loans and advances	6	164.30	259.13
	TOTAL ASSETS		**22341.00**	**21337.93**
I.	**EQUITY AND LIABILITIES**			
	(1) Share Holders' Funds		**17480.81**	**16584.50**
	(a) Share Capital	7	982.05	982.05
	(b) Other Equity	8	16498.76	15602.45
	(3) Non-Current Liabilities		**1046.40**	**1132.73**
	(a) Financial Liabilites -borrowings	9	176.77	238.03
	(b) Provisions	10	512.46	548.74
	(c) Deferred Tax Liabilites		357.18	345.96
	(4) Current Liabilities		**2882.00**	**1765.48**
	(a) Financial Liabilites			
	(i) Borrowings	11	1927.47	417.98
	(ii) Trade payables		913.34	1306.81
	(iii) Other Financial Liabilities			
	(b) Other current liabilites		41.19	40.69
	(c) Provisions	12	931.79	1855.23
	TOTAL EQUITY AND LIABILITIES		**22341.00**	**21337.93**

THIS IS THE FORM OF BALANCE SHEET REFERRED TO IN OUR REPORT ON EVEN DATE

SRIDHARA CHARY V&CO.,
Chartered Accountants,
Firm Registration
No:011478S

For and on behalf of the Board of Director

Sd/-	Sd/-	Sd/-	Sd/-
V.SRIDHARA CHARY	**S.D.M. RAO**	**K.CHAITANYA ABHISHEK**	**K.RAMESH**
Proprietor	Chairman &	Director	(CFO)
Membership No.218343	Managing Director		

sd/-
SURABHI. R. JAIN
COMPANY SECRETARY
MEMBERSHIP NO.A55650

Place :Hyderabad
Date : 27th May, 2022

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

₹ In Lakhs

	Particulars	Note No.	2021-22 Figures at the end of the Current Reporting Period	2020-21 Figures at the end of the Previous Reporting Period
I	**Revenue from Operations**	1	23465.95	22165.78
II	Other Income	2	112.86	141.31
III	**Total Revenue**		**23578.80**	**22307.08**
IV	**Expenses**			
	Cost of Material Consumed	3	14567.29	11343.07
	Change in Inventories of Finished Goods, Work in Progress and Stock in Trade	4	-802.56	551.95
	Employees Benefits Expenses	5	4336.26	4501.27
	Finance Cost	6	152.22	104.75
	Depreciation and Amortization Expenses	7	1291.86	1298.41
	Other Expenses	8	2112.26	2174.38
	Total Expenses		**21657.33**	**19973.84**
V	Profit Before Exceptional items (III-IV)		1921.48	2333.25
VI	Exceptional Items		0.00	0.00
VII	**Proft before Extraordinary items and Tax (V-VI)**		**1921.48**	**2333.25**
VIII	Extraordinary items			
IX	**Profit before Tax (VII-VIII)**		**1921.48**	**2333.25**
X	Tax Expenses			
	(1) Current Tax		522.62	606.87
	(2) Deferred Tax		11.22	-6.05
XI	**Profit (Loss) for the period from continuing operations (IX-X)**		**1387.64**	**1732.42**
XII	Profit (Loss) from discountinuing Operations			
XIII	Tax Expenses of discountinuing operations			
XIV	Profit (Loss) from discountinuing operations (after tax) (XII-XIII)			
XV	**Profit (Loss) for the period (XI-XIV)**		**1387.64**	**1732.42**
XVI	**Earning per Share**			
	(1) Basic		14.13	17.64
	(2) Diluted		14.13	17.64

SRIDHARA CHARY V&CO.,
Chartered Accountants,
Firm Registration
No:011478S

For and on behalf of the Board of Director

Sd/-
V.SRIDHARA CHARY
Proprietor
Membership No.218343

Sd/-
S.D.M. RAO
Chairman &
Managing Director

Sd/-
K.CHAITANYA ABHISHEK
Director

Sd/-
K.RAMESH
(CFO)

sd/-
SURABHI. R. JAIN
COMPANY SECRETARY
MEMBERSHIP NO.A55650

Place :Hyderabad
Date : 27th May, 2022

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

Rs. In Lakhs

Particulars	Year Ended march 2022	Year Ended march 2021
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and exceptional items	1921.48	2333.25
ADJUSTMENTS FOR:		
Depreciation	1291.86	1298.41
provision written back	0.00	0.00
Sales Tax Deferment	-119.19	-124.26
Interest	152.22	104.75
Interest earned	7.44	8.31
Gratuity provision	20.00	50.00
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**3273.81**	**3670.46**
ADJUSTMENTS FOR:		
Decrease in receivables	131.60	-882.41
Increase in inventories	-1402.69	440.57
Decrease in loans and advances	94.83	-40.49
Decrease in payables & provisions	-1381.10	-508.33
CASH GENERATED FROM OPERATIONS	**716.45**	**2679.79**
Interest paid	152.22	104.75
Payment of IncomeTax	400.00	540.00
Gratuity paid	56.28	43.97
NET CASH FLOW FROM OPERATING ACTIVITIES	**107.94**	**1991.08**
Net Increase in Bank Borrowings		
Net Increase in Cash Flow	107.94	1991.08
CASH FLOW FROM INVESTING ACTIVITIES		
PPE AND INTANGIBLE ASSETS	770.18	885.18
Capital Work in Progress	350.00	0.00
Interest received	7.44	8.31
Term Loans	0.00	0.00
NET CASH USED IN INVESTING ACTIVITIES	**1127.62**	**893.49**
CASH FLOW FROM FINANCING ACTIVITIES		
increase in long term loans and advances	0.00	-7.33
Increase in Working Capital Loan (net of payments)	1509.49	-1054.29
Dividend and Dividend tax	-491.33	0.00
NET CASH USED IN FINANCING ACTIVITIES	**1018.16**	**-1061.62**
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	**-1.51**	**35.96**
CASH AND CASH EQUIVALENTS AS AT THE COMMENCEMENT OF THE YEAR	**71.60**	**35.64**
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR	**70.09**	**71.60**

NOTES:

The above Cash Flow statement has been prepared under the indirect method as set out IND AS-7 on Cash Flow statements.

THE PREVIOUS FIGURES WERE RE-GROUPED AS PER CURRENT YEAR

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

SRIDHARA CHARY V&CO.,
Chartered Accountants,
Firm Registration No:011478S

For and on behalf of the Board of Director

Sd/-	Sd/-	Sd/-	Sd/-
V.SRIDHARA CHARY	**S.D.M. RAO**	**K.CHAITANYA ABHISHEK**	**K.RAMESH**
Proprietor	Chairman &	Director	(CFO)
Membership No.218343	Managing Director		

sd/-
SURABHI. R. JAIN
COMPANY SECRETARY
MEMBERSHIP NO.A55650

Place :Hyderabad
Date : 27th May, 2022

NOTES FORMING PART OF BALANCE SHEET

Rs. In lakhs

NOTE-1

	Value As At 4/1/2021	Net Addition/ Deletion Dur-ing The Year	Value As At 3/31/2022
FIXED ASSETS			
LAND-FREE HOLD	189.61	0.00	189.61
BUILDINGS	3481.99	207.00	3688.99
PLANT AND MACHINARY	25467.49	523.51	25991.00
ELECTRICAL INSTALLATION	886.28	15.00	901.28
FURNITURE AND FEXTURES	184.63	-0.00	184.63
VEHICLES	418.97	19.61	438.59
SOFTWARE	98.98	5.05	104.03
IMPAIRMENT OF ASSETS	194.18	0.00	194.18
TOTAL	**30922.13**	**770.18**	**31692.30**

1. THE FIXED ASSETS INCLUDES SELF MADE MACHINES.
2. THE COST OF FIXED ASSETS IS NET OF GST CREDIT AVAILED AND TO BE CLAIMED.

	2021-22	2020-21
NET BLOCK OF FIXED ASSETS AS ON 01-04-2021	13663.28	14076.52
ADDITIONS DURING THE YEAR	770.18	885.18
LESS: DEPRECIATION PROVIDED DURING THE YEAR	1291.86	1298.41
NET BLOCK AS ON 31.03.2022	**13141.60**	**13663.28**

NOTE-2

LONG TERM-LOANS AND ADVANCES		
UNSECURED AND CONSIDERED GOOD		
SPDCL /EPDCL DEPOSIT	332.53	332.53
TOTAL	**332.53**	**332.53**

NOTE-3

INVENTORIES		
STORES AND SPARES	312.05	311.90
RAW MATERIALS	1033.29	433.31
SEMI FINISHED GOODS	765.95	585.73
FINISHED GOODS	1581.02	958.68
TOTAL	**3692.32**	**2289.62**

THE WORK IN PROGRESS REPRESENTS ONLY PART OF THE REGULAR PRODUCT THAT WERE UNDER PRODUCTION AND NOT COVERED FOR ANY RESERVATION FOR WARRANTY CLAIMS.
THE FINISHED GOODS WERE VALUED AT LOWER OF THE COST OF SALE OR REALISABLE VALUE.
THE COST DOES NOT INCLUDE GST COMPONENT.
THE GST IS NEITHER CONSIDERED FOR OPENING STOCK NOR CLOSING STOCK. THIS METHOD WAS FOLLOWED CONSISTANTLY BY THE COMPANY. THE RAW MATERIALS INCLUDING TRADE GOODS
STORES AND SPARES WERE VALUED AT COST TO THE UNIT.

NOTES FORMING PART OF BALANCE SHEET

Rs. In lakhs

	2021-22	2020-21
NOTE-4		
TRADE RECEIVABLES		
UNSECURED CONSIDERED GOOD	4590.16	4721.76
TOTAL	**4590.16**	**4721.76**
NOTE-5		
CASH AND CASH EQUIVALENTS		
CASH IN HAND	1.89	1.14
BALANCE WITH BANKS	32.78	36.10
MARGIN MONEY WITH BANKS	35.41	34.36
TOTAL	**70.09**	**71.60**
NOTE-6		
SHORT TERM LOAN AND ADVANCES	**2021-22**	**2020-21**
SECURED CONSIDERD GOOD		
ADVANCES TO STAFF	9.14	58.68
OTHER DEPOSITS	55.42	55.42
UNSECURED CONSIDERED GOOD	0.00	0.00
ADVANCES TO OTHERS	69.71	115.01
OTHER ADVANCES	30.02	30.02
TOTAL	**164.30**	**259.13**
NOTE-7		
SHARE CAPITAL		
AUTHORIZED	1250.00	1250.00
ISSUED , SUBSCIBED AND PAID UP	982.05	982.05
PAR VALUE OF SHARE -RUPEES	10.00	10.00
SHARES HELD BY SHARE HOLDER HOLDING		
MORE THAN 5% SHARE (IN NOS)		
SDM RAO	1005044	1005044
SDMRAO-HUF	68276	68276
S.SARASWATHI	2630205	2630205
S.KARUNAKAR	522774	522774
S.KISHORE	513035	513035
FOR THE PERIOD OF FIVE YEARS IMMEDIATELY PRECEDING THE DATE AS AT THE BALALCE SHEET PREPARED		
FORFEITED SHARES		
(AMOUNT ORIGINALY PAID UP)		
10800 shares a @Rs 5 per share 1.03.lakhs	0.54	0.54
9750 shares @ Rs 5 per share	0.49	0.49

NOTES FORMING PART OF BALANCE SHEET

Rs. In lakhs

	2021-22	2020-21
NOTE-8		
OTHER EQUITY		
(I) CAPITAL RESERVE	56.03	56.03
(II) SECURITIES PRIMIUM RESERVE	163.92	163.92
(III) REVALUATION RESERVE	155.21	155.21
(IV) GENERAL RESERVE	2548.60	2312.70
(V) SURPLUS IN STATEMENT OF PROFIT AND LOSS	13575.01	12914.60
TOTAL	**16498.76**	**15602.45**

THE CAPITAL RESERVE INCLUDES AN AMOUNT OF RS 1.03 LACS FORM FOREFEATURE OF SHARES AND SUBSIDY FROM THE GOVT FOR SETTING UP THE UNIT IN BACKWARD AREA

An amount of Rs.54.21 lacs was spent for CSR towards Rural Infrastructure Development as given below:

(1) Under the health & sanitation Scheme developed:
   (i) provided buildings and first aids in the secondary schools and higher secondary schools and also play grounds with all facilities for the students.
   (ii) Constructed Toilets & Washrooms for Secondary Schools & Junior Colleges at kothavalasa, addapusila & belagam and in tribal villages at present manyam District.

(2) Environmental development of plantation of trees etc.

(3) Developing Skill Training Centre such as Computer Training, Tailoring and other vocational skill at Vizianagaram District, Andhra Pradesh.

(4) Educational support and Infrastructure support to Secondary Schools & Junior College Rooms renovation and providing seating accommodation and provided environmental friendly atmosphere.

GENERAL RESERVE		
OPENING BALANCE	2312.70	1810.30
ADD: TRANSFER FROM P/L A/C	235.90	502.40
NET RESERVE	**2548.60**	**2312.70**
PROFIT AND LOSS ACCOUNT		
OPENING BALANCE	12914.60	11684.58
ADD: CURRENT YEAR PROFIT	1387.64	1732.42
LESS: TRASFER TO GENERAL RESERVE	235.90	502.40
	14066.34	**12914.60**
LESS: EARLIER YEARS DIVIDEND	491.33	**0.00**
NET PROFIT AND LOSS ACCOUNT	**13575.01**	**12914.60**
NOTE-9		
OTHER LONG TERM LIABILITIES		
SALES TAX DEFERAL LOAN	176.77	238.03
TOTAL	**176.77**	**238.03**

NOTES FORMING PART OF BALANCE SHEET

Rs. In lakhs

INTEREST FREE SALES TAX LOAN IS REPAYABLE AS FOLLOWS:

1. PLANT-1A-SECOND DEFERMENT REPAYABLE IN 14 YEARS COMMENCED FROM APRIL 2012
2. PLANT-II=FIRST DEFERMENT REPAYABLE IN 10 YEARS COMMENCED FROM 2004 AND SECOND DEFERMENT FROM APRIL 2015
3. PLANT-III-REPAYABLE IN 14 YEARS COMMENCED FROM APRIL 2011

AN AMOUNT OF RS 61.26 LAKHS REPRESENTS REPAYABLE IN THE NEXT 12 MONTHS HAD BEEN SHOWN UNDER CURRENT LIABLITIES

	2021-22	2020-21
NOTE-10		
LONG TERM PROVISIONS		
PROVISION FOR GRATUITY	512.46	548.74
TOTAL	**512.46**	**548.74**

THE EMPLOYEES WHO ARE BECOME ELIGIBLE HAD BEEN CONSIDERED FOR VALUVATION AND THE AMOUNTS WERE WORKED OUT AND PROVIDED.

NOTE-11

SHORT TERM BORROWINGS

SECURED

CASH CREDIT - STOCKS	1866.21	298.79
SALES TAX DEFERRMENT LOAN-PAYABLE WITH IN A YEAR	61.26	119.19
TOTAL	**1927.47**	**417.98**

WORKING CAPITAL LOAN WITH SBI IS SECURED BY HYPOTHECATION OF ALL CURRENT ASSETS INCLUDING BOOK DEBTS ON FIRST CHARGE BASIS
AND SECOND CHARGE ON ALL FIXED ASSETS AND IMMOVABLE PROPERTIES OF THE COMPANY

NOTE-12

SHORT TERM PROVISIONS

OTHER PROVISIONS	765.24	1144.55
PROVISION FOR EMPLOYEES BENEFITS	166.55	710.68
TOTAL	**931.79**	**1855.23**

THE OTHER PROVISIONS INCLUDES THE POWER BILL FOR THE MONTH OF MARCH.

CURRENT LIABLITIES

Trade payables	913.34	1306.81
other current liablities	41.19	40.69
TOTAL	**954.53**	**1347.50**

NOTES FORMING PROFIT AND LOSS ACCOUNT

Rs. In lakhs

	2021-22	2020-21
NOTE-1		
REVENUE FROM OPERATIONS		
(a) SALE OF PRODUCTS(GROSS)	28919.82	27567.96
(b) SALE OF SERVICES	0	0
LESS: GST ON SALES	5242.69	5083.50
NET SALES	**23677.12**	**22484.46**
LESS: INCENTIVES ON SALES	270.68	365.26
NET REVENUE FROM SALES	23406.44	22119.20
(c) OTHER OPERATING REVENUE	70.28	54.98
LESS: GST ON OTHER OPERATING REVENUE	10.77	8.40
TOTAL NET OPERATING REVENUE	**23465.95**	**22165.78**
NOTE-2		
OTHER INCOME		
(a) INTEREST INCOME-WITH NOTES INTEREST FROM BANK ON MARGIN MONEY AND DEPOSITS WITH APSEB	7.44	8.31
(d) EXPORTS INCENTIVES	85.62	96.48
(b) DIVIDEND INCOME		
(C) NET GAIN/ LOSS ON FOREIGN CURRENCY	9.10	35.03
(d) OTHER NON-OPERATING INCOME (NET)	10.69	**1.49**
TOTAL	**112.86**	**141.31**
NOTE-3		
COST OF MATERIAL CONSUMED		
(a) OPENING STOCK	745.21	633.82
(b) ADD: PURCHASES	15167.42	11454.47
(c) LESS: CLOSING STOCK	1345.34	745.21
TOTAL	**14567.29**	**11343.07**
NOTE-4	**2021-22**	**2020-21**
INCREASE/DECREASE IN STOCKS		
OPENING STOCK		
SEMI FINISHED GOODS	585.73	692.84
FINISHED GOODS	958.68	1403.52
	1544.41	**2096.37**
CLOSING STOCK		
SEMI FINISHED GOODS	765.95	585.73
FINISHED GOODS	1581.02	958.68
	2346.98	1544.41
INCREASE/DECREASE IN STOCKS	**-802.56**	**551.95**

NOTES FORMING PROFIT AND LOSS ACCOUNT

Rs. In lakhs

	2021-22	2020-21
NOTE-5		
EMPLOYEES BENEFIT EXPENSES		
(I) SALARIES & WAGES	3662.91	3812.90
(ii) CONTRIBUTION TO PROVIDENT FUND AND OTHER FUNDS	260.56	236.12
(iii) STAFF WELFARE EXPENSES	412.79	452.25
TOTAL	**4336.26**	**4501.27**
NOTE-6		
FINANCE COST		
(A) INTEREST EXPENSES	85.57	48.46
(B) OTHER BORROWING COST	66.65	56.28
TOTAL COST	**152.22**	**104.75**
NOTE-7		
DEPRECIATION AND AMORTIZATION EXPENSES	**1291.86**	**1298.41**
NOTE-8		
OTHER EXPENSES		
RENT, RATES & TAXES	202.67	200.64
PRINTING & STATIONARY	81.30	70.03
COMMUNICATIONAL EXPENSES	28.36	24.56
CONVEYANCE & TRAVELLING	177.02	164.76
DIRECTOR'S SITTING FEE	1.20	2.00
INSURANCE	62.69	49.07
AUDITOR'S REMUNERATION	6.00	6.00
LEGAL & PROFESSIONAL CHARGES	10.52	7.06
REPAIRS & MAINTENANCE	446.96	432.84
SELLING AND DISTRIBUTION EXPENSES	990.41	1054.18
ADVERTISEMENT	1.99	2.67
MISCELLANEOUS EXPENSES	28.92	52.46
GRATUITY	20.00	50.00
CSR EXPENDITURE	54.21	58.11
TOTAL	**2112.26**	**2174.38**

OTHER INFORMATION:

1. **CORPORATE INFORMATION**: Samkrg Pistons and Rings Limited (the company) is engaged in the Manufacturing of Automobile components. The Company has manufacturing plants at Bonthapally, Sangareddy Dist. (T.S.) and two units at Srikakulam District, Andhra Pradesh. The Company is a Public Limited Company and is listed on the Bombay Stock Exchange. The Functional Currency of the company is Indian Rupees. The Financial Statements prepared under Company (Accounting Standards) Rules, 2015, as amended for the year ended 31st March,2022 were adopted by the company as on 27th MAY 2022

SIGNIFICANT ACCOUNTING POLOCIES

1. **BASIS OF PREPARATION**

   The Financial Statements have been prepared in accordance with Section 133 of the Companies Act, 2013, Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015. The Financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all periods presented in the financial statements .All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III of the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents the company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets.

   Transactions and balances with values below the rounding off norm adopted by the company have been reflected as "0" in the relevant notes in these financial statements.

   The Financial Statements of the Company for the year ended 31/03/2022 were approved for issue in accordance with the resolution of the board of directors on 27/05/2022

2. **Basis of Measurement**: These Financial Statements are prepared under historical cost convention unless otherwise stated.

3. **Revenue Recognition**: Revenue from contracts with customers are recognized as per Ind AS 115 when control of the goods or services are transferred to the customers at the fair value of consideration received or receivable. The Company recognizes revenue when the same can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below. Revenue is measured at the value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Amounts disclosed as revenue are exclusive of GST and net of returns, trade allowances, rebates, discounts, and amounts collected on behalf of third parties.

   (i) Sale of Goods

   Sales are recognized when substantial risk and rewards of ownership are transferred to customer, In case of domestic customers, sales generally take place when goods are dispatched or delivery is handed over to the transporter. In case of export customers, sales generally take place when goods are shipped on-board based on bill of lading.

   ii) Interest Income is recognized on time proportion basis taking into account the amount invested and rate of interest.

   iii) Revenue in respect of other claims is recognized on accrual basis to the extent the ultimate realization is reasonably.

4. **Expenses** are accounted on accrual basis.

5. **Employee Benefits**:

   (i) Contributions to defined contribution schemes such as ESI, Labor welfare fund,employee pension scheme are charged as expense based on the amount of contribution required to be made as and when services are rendered by the employees .Companies provident fund contribution in respect of certain employees is made to government administered fund and charged as an expense to the statement of profit and loss. The above benefits are classified as Defined contribution schemes as the company has no further defined obligations beyond the monthly contribution.

   (ii) Defined benefit plans: In accordance with payment of Gratuity Act, 1972, the company provides gratuity a defined benefit retirement plan covering eligible employees. The plan provides for a payment to vested employees at retirement, death while in employment or on termination of employment, an amount equivalent to 15 days salary payable for each completed year of service, subject to maximum as may be prescribed. Vesting occurs upon completion of five years of service, except in case of death while in employment in which case the legal heirs would receive the gratuity. Accordingly, a lump sum provision is made as per management policy .

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

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

   Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognized in statement of profit or loss.

   Depreciation is provided on SLM basis, based on useful life of the assets in accordance with Schedule II of the Companies Act, 2013.

   Free hold land is not depreciated.

   The residual value of 5% is retained in books for all assets other than the assets whose useful life has elapsed as on 01-04-2014 or those assets whose book value has already been reduced below 5% of acquisition cost.

   The depreciation has been provided on SLM basis based on the life of the asset given below:

   - Building 30 years
   - Plant and Machinery 15 years
   - Lab Equipment 10 years
   - Electrical Installation 10 years
   - Office Equipment 5 years
   - Vehicles 8 years
   - Computers 3 years

De-recognition: The carrying amount of an item of property, plant and equipment shall be derecognized

(i) On disposal or

(ii) When no future economic benefits are expected from its use or disposal

7. **Intangible Assets**: Separately purchased intangible assets are initially measured at cost. Subsequently, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses if any.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite life assets are amortized on a straight line basis over the period of their expected useful lives.

Estimated useful lives by major class of finite life intangible assets are as follows:

Computer Software 10 Years

The amortization period and amortization method for finite life intangible assets is reviewed at each financial year and adjusted prospectively, if appropriate.

8. **Foreign Currencies**: The Company's financial statements are presented in INR, which is also the functional currency of the company.

Transactions and Balances: Transactions in foreign currencies are initially recognized by the company at its functional currency spot rates at the date the transaction when it first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit and loss statement.

9. **Income Taxes**: Income tax expense for the year comprises of current tax and deferred tax. It is recognized in profit and loss.

Current tax is the expected tax payable / receivable on the taxable income / loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of the previous years.

Deferred tax is recognized in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amounts used for taxation purposes.

A deferred tax liability is recognized based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted by the end of the reporting period.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized .Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

10. **Dividend** : Final Dividend on shares are recorded as a liability on the date of approval by the shareholders.

11. **Use of Estimates**: The preparation of Financial Statements is in conformity with Indian accounting standards (Ind AS) , requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities and disclosure relating to contingent liabilities as at the date of financial statements and reported income and expenses during the year . The management believes that the estimates used in preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between actual results and estimates are recognized in the periods in which results are known / materialize.

12. **Financial Instruments**: Financial Assets and Financial Liabilities are recognized when the company becomes a party to contractual provisions of the instrument.

    A Financial Asset is:

    - Cash
    - A Contractual right to receive cash or another Financial Asset.
    - A Contractual right to exchange Financial Assets or Liabilities with another entity under potentially favorable conditions; or
    - An equity instrument of another entity.

    A Financial Liability is:

    - A Contractual obligation to deliver cash or another Financial asset; or
    - To exchange Financial Instruments with another entity under potentially unfavorable conditions.

    A derivative is a Financial Instrument that derives its value from underlying price or index; requires little or no initial net investment; and is settled at a future date.

    IND AS 109 divides all Financial Assets into Two Classifications:

    Those measured at amortised at cost.

    Those measured at Fair Value.

    When assets are measured at fair value, gains and losses are recognized entirely in profit or loss (Fair value through profit or loss, FVTPL),or recognized in other comprehensive income(Fair value through other comprehensive income ,FVTOCI).

    The classification of Financial Asset is made at the time it is initially recognized, namely when the entity becomes a party to contractual provisions of the instrument.

13. **Provisions and contingent liabilities**:

    (a) **Provisions:** Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

    Current provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

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

14. **Cash and cash equivalents**: In the cash flow statement, cash and cash equivalents include cash, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

15. **Segment Reporting under Ind AS-108**:

The Company is engaged in a single segment (i.e. the business of "automotive components" from where it is earning its revenue and incurring expenses. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM).All the company resources are dedicated to this single segment and all the discrete financial information is available for this segment. The geographical information in respect of customers Is given in Note 38, Notes to accounts and Significant accounting policies.

16. IND AS-23 BORROWING COST: Ind AS 23, 'Borrowing Costs' The amendments clarify that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings. As the Company does not have any borrowings, there is no impact on account of this amendment.

17. UNCERTAINITY OVER INCOME TAX TREATMENTS TO IND AS 12 INCOME TAXES.

Appendix C, Uncertainty over Income Tax Treatments, to Ind AS 12, 'Income Taxes' The appendix explains how to recognize and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

- How to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty;
- That the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored;
- That the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment;

That the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty; and that the judgments and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgments.

- The application of this guidance is not expected to have an impact on the separate financial statements.

18. CURRENT VS NON-CURRET CLASSIFICATION:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period,

Cash or cash equivalent unless 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 current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading

- It is due to be settled within twelve months after the reporting period,

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as noncurrent assets/noncurrent liabilities.

19. Ind AS 116 - Leases

The Company elects not to apply IND AS 116 , as it has got short term leases(Recognition Exemption)

20. Functional and presentation currency:

These financial statements are presented in Indian Rupees (INR), which is the company's functional currency. All financial information is presented in INR rounded to the nearest Lakhs except share and per share data, unless otherwise stated.

Exchange differences are recognized in the Statement of Profit and Loss.

21. Estimation of uncertainties relating to the global pandemic from COVID-19: The Covid-19 pandemic has impacted the businesses around the world, including India. There has been severe disruption to the regular operations of the company in the first quarter of FY 2021-22 due to Government imposed emergency restrictions and lockdown. The company has assessed the impact on liquidity position and carrying amounts of inventories, trade receivables, investments, property, plant and equipment and other financial assets. Our assessment based on estimates and judgments, available from internal and external sources of information including economic forecasts does not indicate any material impact on the carrying value of assets and liabilities as on the reporting date. The Company will continue to monitor the future economic conditions and assess its impact on the financial statements. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on date of the approval of the standalone financial statements.

22. Capital management

The Company's objective for managing capital is to ensure as under:

i) To ensure the company's ability to continue as a going concern

ii) Maintaining a strong credit rating and debt equity ratio in order to support business and maximize the share holders' 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.(Refer Note 41 Notes on Significant Accounting Policies)

23. Financial risk management

The Company's principal financial liabilities 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 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.

a) Foreign exchange risk

The Company is subject to the risk that changes in foreign currency values impact the Company's export revenues and imports of raw material and property, plant and equipment. The net unhedged exposure to the Company on holding financial assets(Trade Receivables and capital advances) and liabilities (trade payables and capital creditors) other than in their functional currency amounted to Rs.15.36 Lakhs.

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and Euro and Yen. The Company manages currency exposures within prescribed limits.

Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time. The aim of the Company's approach to management of currency risk is to leave the company with no material residual risk.

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 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

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, 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.

iii) Liquidity risk

Liquidity risk is the risk that the Company, will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31-03-2022 and 31-03-2021.

Cash Flow from operating activities provides the funds to service the financial liabilities on a day to day

basis.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an ongoing basis to meet its operational needs. Any short-term surplus cash generated ,over and above the amount required for working capital management and other operational requirements is retained as cash and cash equivalent(to the extent required) and any excess is invested in interest bearing term deposits to optimize the cash return on investments while ensuring sufficient liquidity to meets is liabilities.

v) **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 categorizing 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, 2022

The Company uses Level 2 for determining and or disclosing the fair value of Financial instrument.

24 Taxes and Income

a) Current tax: Provision for Income Tax is determined in accordance with the provisions of Income Tax Act, 1961.

b) Taxable temporary differences will always lead to Deferred Tax Liability

c) The timing deference on account of depreciation charged on the assets as per the companies act and as per the Income Tax Act has been provided. The net Deferred Tax Liability over the Deferred Tax Assets was and considered for the current year was(Rs 11.22lakhs).(previous year (Rs -6.05lakhs)

DEFERRED TAX LIABILITY(NET)	2021-22	2020-21
OPENING BALANCE	345.96	352.01
DEFERRED TAX LIABILITY	11.22	-6.05
Deferred Tax Liability	357.18	345.96

25 Contingent Liabilities not provided for

Disputed amount of Rs.22.47 lakhs towards a.p. tax on entry of goods for the assessment year 2002-03 is pending which we have already paid an amount of Rs. 3.21 lakhs the case did not come for any hearing further.

Disputed amount of Rs.48.85 lakhs towards Entry Tax for the periods 2011-12 to 2016-17 is pending with The Telangana VAT Appellate Tribunal against which we have already paid an amount of Rs.24.42 lakhs the case did not come for any hearing further.

26 Details under Micro and Small medium Enterprises Development Act

SUNDRY CREDITORS

Disclosure under the Micro and Small Enterprises Development Act, 2006. Amount Due to Micro and Small Enterprises are disclosed on the basis of information company regarding available with the status of the supplier is as follows

Sr. No.	Particulars	2021-22		2020-21		Interest
		Principal	Intrest	Principal	interest	
1	Principal Amount and Interest thereon due, remaining unpaid at the end of the year.	373.83	Nil	148.94	Nil	Nil
2	Interest paid during the year	Nil	Nil	Nil	Nil	Nil
3	Interest due and payable (on the amount which have been paid beyond the appointed date during the year)	NA	NA	NA	Nil	NA
4	Interest remaining accrued and unpaid at the end of year	NA	NA	NA	Nil	NA
5	Interest due of the previous year	NA	NA	NA	Nil	NA

		RS.IN LACS 2021-22	RS.IN LACS 2020-21
27	Expenditure in Foreign Currency	1817.56	1050.25
28	Earnings in Foreign Currency (on receipts basis)	5176.06	3846.57

29 Related Party Disclosures as per Ind AS -24

Related Parties transactions for the Year ended 31.03.2022

SL. No.	NAMES OF RELATED PARTIES & DESCRIPTION OF RELATIONSHIP	NATURE OF TRANSACTIONS	AMOUNT PAID	Balance
1	Shri S. karunakar - Director	Rent paid / payable	1199000	109000
2	Shri S. kishore - Director	Rent paid / payable	979000	89000
3	Smt. S. Saraswathi - W/o CMD	Rent paid / payable	804000	0
4	Sri S.D.M.Rao	Rent paid / payable	2144000	268000
4	Saraswathi Enterprises (Firm)	Rent paid / payable	7694236	699476
5	Key Management Personnel	Remuneration . & commission paid		
	Shri S.D.M. Rao - Chairman & M.D		5356000	425000
	Shri S. karunakar - Director		6387000	425000
	Shri S. kishore - Director		6387000	425000
6	Directors Sitting Fees			
	N.Rishita Director	Sitting fee	40000	
	Chiatanya Abhisek Director	Sitting fee	40000	
	Raghu Prakash Director	Sitting fee	40000	
	Madhava Rao Director	Sitting fee	40000	
	M. N. Thakkar Director	Sitting fee	30000	
7	Gopal Engineering Corporation	Job works & Retro of m/cs	5408229	0

Mr.S.Karunakar and Mr.S.Kishore major partners in the Gopal Engineering Corporation and also directors of the company and hence the transaction with Gopal engineering co is reported under related party transaction.

The Company had taken on lease of properties from the Directors of the Company and relatives of the Directors of the company for the staff at factory, Visakhapatnam and at Hyderabad and office at at Visakapatnam

30	**EXPENDITURE ON CSR**	**2021-22**	**2020-21**
	CSR SPEND	54.21	58.11

31 Depreciation and amortisation

Depreciation on Property,plant and Equipment	1281.42	1288.47
Amortisation on Intangible assets	10.44	9.94
Total Depreciation and amortisation	1291.86	1298.41

32 PAYMENT TO AUDITORS

(a) Auditor Fee	4.50	4.50
(b) Limited Review	0.50	0.50
(b) for Tax Audit and other matters	1.00	1.00
TOTAL	**6.00**	**6.00**

		2021-22	2020-21
33	**CIF VALUE OF IMPORTS**		
	by the company during the financial year		
	in respect of		
	(a) Raw material	1750.44	995.7
	(b) Components and spare parts	33.79	47.41
	(c) Capital Goods	33.33	139.46
34	**Consumption**		
	Imported raw materials	1750.44	995.70
	spare parts	33.79	47.41
	components		
	Total indigenous raw material	10994.00	8499.28
	spare parts components		
	Total of percentage of each		
	INDIGENIOUS	86.04	89.07
	IMPORTED	13.96	10.93

The Cost of Raw material does not include the power and fuel and transportation.

35 The obligation under EPCG concessional duty scheme on account capital Equipments imports amounting to amounting to Rs.1126.73Lakhs (previous year Rs.1126.73 lakhs)

36 The company had not accepted any deposits from public nor solicited any as per companies act deposit rules 2013. The company had taken security deposits from our dealers of our products and paying inter-set at @9% . The deposits are repayable at the closure of the dealership only.

37 Figures for the previous year has been regrouped/reclassified wherever necessary to be confirmity with the current year format of IND AS SCHEDULE - III to the Companies Act.

38 SEGMENT REPORTING	**2021-22** RS.IN LACS	**2020-21** RS. IN LACS
DOMESTIC SALES	19019.65	18470.29
EXPORT SALES	4717.32	4014.17
TOTAL	23736.97	22484.46

Revenue from One Customer amounts to Rs.5826.93 lakh (previous year 5722.24 lakhs) no other Single customer represents 10% or more to the company revenue for the year ending 31-03-22 and 31-03-2021.

39 Earnings Per Share under Ind AS 33

	RS.IN LACS **2021-22**	RS.IN LACS **2020-21**
Profit After Taxation as per Profit and Loss Account	1387.64	1732.42
Number of Weighted Average of Shares	9820500	9820500
Basic and Diluted Earnings Per Share	14.13	17.64
Nominal Value per Equity Share	10.00	10.00

40 RECONCILIATION OF ACCOUNTING PROFIT WITH TAX EXPENSE	RS.IN LACS 2021-22	RS.IN LACS 2020-21
Accounting Profit Before Income Tax expense	**1921.48**	2333.25
Tax effect of adjustments in taxable income tax @25.17%	**483.64**	587.28
CSR	**13.64**	14.63
OTHER DISALLOWANCE	**5.03**	12.59
ALLOWANCE	**20.31**	7.62
CURRENT TAX EXPENSE	**522.62**	606.88

41 CAPITAL GEARING RATIO	2021-22 RS.IN LACS	2020-21 RS.IN LACS
LOANS AND BORROWINGS	**1927.47**	417.98
LESS CASH & BANK BALANCE	**70.09**	71.6
NET DEBT	**1857.38**	346.38
EQUITY	**17480.81**	16584.5
CAPITAL AND DEBT	**19338.19**	16930.88
CAPITAL GEARING RATIO	**9.60**	2.0

42 NET DEBT RECONCILIATION	RS.IN LACS 3/31/2022	RS.IN LACS 3/31/2021
Cash and Cash Equivalents	**70.09**	71.6
Current Borrwings	**-1866.21**	-298.79
Total	**-1796.12**	-227.19

PARTICULARS	CASH & CASH EQUIVALENTS	BORROWINGS	TOTAL
NET DEBT AS ON 01/04/20	35.64	**-1348.01**	-1312.37
CASH FLOWS35.96		**1049.22**	1085.18
NET DEBT AS ON 31/03/21	71.60	**-298.79**	-227.19
CASH FLOWS	-1.51	**-1567.43**	-1568.94
NET DEBT AS ON 31-03-22	70.09	**-1866.21**	-1796.12

43 CAP ITAL WORK IN PROGRESS (DISCLOSURE AS PER SCHEDULE -III OF THE COMPANIES ACT,2013

	RS.LACS				
CAPITLAL WIP	< 1 YEAR	1-2 YEARS	2-3 YEARS	> 3 YEARS	TOTAL
	RS.				RS.
PROJECTS IN PROGRESSS	350.00	0	0	0	350.00
PROJECTS TEMPORARILY SUSPENDED	0.00	0	0	0	0
TOTAL	350.00	0	0	0	350.00

44 AGEING SCHEDULE OF TRADE RECEIVABLE (SCHEDULE -III)

	< 6 MONTHS RS.LACS	6M-1 YEAR	1-2 YEARS	2-3 YEARS	> 3 YEARS
(i) Un disputed Trade Receivables -considered good	4590.16	**0**	0	0	0
(ii) Un disputed Trade Receivables-which have significant increase in credit risk	0.00	**0**	0	0	0
(iii) Un disputed Trade Receivables-Credit impaired	0.00	**0**	0	0	0
(iv) Disputed Trade Receivables- Considered good	0.00	**0**	0	0	0
(v) Disputed Trade Receivables-increase in credit risk	0.00	**0**	0	0	0
(vi)Disputed Trade Receivables-Credit impaired	0.00	**0**	0	0	0
TOTAL	**4590.16**	**0**	0	0	0

45 AEGING SCHEDULE OF TRADE PAYABLES(SCHEDULE -III)

	< 6 MONTHS RS.LACS	6M-1 YEAR	1-2 YEARS	2-3 YEARS	> 3 YEARS
(i) MSME	**373.83**	**0**	0	0	0
(ii) others	**539.51**	**0**	0	0	0
(iii) Disputed dues-MSME	**0.00**	**0**	0	0	0
(Iv) Disputed dues - Others	**0.00**	**0**	0	0	0

46 VARIOUS RATIOS:	**2021-22**	**2020-21**
(a) CURRENT RATIO:(A/B*100)	**2.23**	**2.03**
CURRENT ASSETS(A)		
TRADE RECEIVABLES	4590.16	4721.76
INVENTORY	3692.32	2289.62
CASH	70.09	71.60
LOANS AND ADVANCES	164.30	259.13
	8516.87	**7342.11**
CURRENT LIABILITIES(B)		
TRADE PAYABLES	913.34	1306.81
OTHER CURRENT LIABILITES	41.19	40.69
CASH CREDIT	1866.21	298.79
SALES TAX DEFERMENT PAYABLE WITHIN A YEAR	61.26	119.19
SHORT TERM PROVISIONS	931.79	1855.23
TOTAL	3813.79	3620.71
(b) DEBT-EQUITY RATIO:(A/B)	**0.11**	**0.02**
DEBT AS PER NOTE 11 OF BALANCE SHEET(A)	1866.21	298.79

	EQUITY AS PER BALANCE SHEET(B)	17480.81	16584.50
		2021-22	**2020-21**
(c)	**DEBT SERVICE COVERAGE RATIO**	**22.11**	**35.67**
	EARNING BEFORE INTEREST TAX AND DEPRECIATION(EBITDA)		
	PROFIT BEFORE TAX	1921.48	2333.25
	INTEREST	152.22	104.75
	DEPRECIATION	1291.86	1298.41
	EBITDA	3365.56	3736.41
	TOTAL DEBT SERVICE	**152.22**	**104.75**
(d)	**RETURN ON EQUITY RATIO:**	**0.08**	**0.10**
	PAT	1387.64	1732.42
	SHAREHOLDERS FUNDS	17480.81	16584.5
(e)	**INVENTORY TURNOVER RATIO**	**4.81**	4.56
	COST OF GOODS SOLD	14387.07	11450.18
	OPENING INVENTORY	2289.62	2730.19
	CLOSING INVENTORY	3692.32	2289.62
	AVERAGE INVENTORY	2990.97	2509.91
(f)	**Trade Receivable Turnover Ratio**	**3.34**	**3.57**
	CREDIT SALES	23406.00	22119.20
	OPENING TRADE RECEIVABLES	4721.76	3839.35
	CLOSING TRADE RECEIVABLES	4590.16	4721.76
	AVERAGE RECEIVABLES	7016.84	6200.23
(g)	**Trade Payable Turnover Ratio**	**4.06**	**2.55**
	CREDIT PURCHASES	7162.18	6288.99
	OPENING TRADE PAYABLES	1306.81	1816.14
	CLOSING TRADE PAYABLES	913.34	1306.81
	AVERAGE TRADE PAYABLES	1763.48	2469.55
(h)	**NET CAPITAL TURNOVER RATIO**	**1.65**	**1.66**
	TOTAL SALES	28919.82	27567.96
	SHAREHOLDERS EQUITY	17480.81	16584.50
(i)	**NET PROFIT RATIO**	**0.08**	**0.11**
	NET PROFIT	1921.48	2333.25
	NET SALES	23406.44	22119.20
(j)	**RETURN ON CAPITAL EMPLOYED**	**0.18**	**0.21**
	EBIT	3365.56	3736.41
	TOTAL ASSETS	22341.00	21337.93

	CURRENT LIABILITIES	3813.79	3620.71
	CAPITAL EMPLOYED	18527.21	17717.22
		2021-22	**2020-21**
(K)	**RETURN ON INVESTMENT**	**0.08**	**0.10**
	PAT	1387.64	1732.42
	NET WORTH	17480.81	16584.50

46 Signatures to Notes 1-8 ,Statement of Profit /loss
Signatures to Notes 1-12,Balance Sheet
Signatures to Notes to Significant Accounting Policies 1-46

SRIDHARA CHARY V&CO.,
Chartered Accountants,
Firm Registration
No:011478S

For and on behalf of the Board of Director

Sd/-	Sd/-	Sd/-	Sd/-
V.SRIDHARA CHARY	**S.D.M. RAO**	**K.CHAITANYA ABHISHEK**	**K.RAMESH**
Proprietor	Chairman &	Director	(CFO)
Membership No.218343	Managing Director		

sd/-
SURABHI. R. JAIN
COMPANY SECRETARY
MEMBERSHIP NO.A55650

Place :Hyderabad
Date : **27TH MAY 2022**

Sam
PISTON & RINGS

SAMKRG PISTONS AND RINGS LIMITED

(AN ISO 9001:2015 IATF 16949:2016 Company)

Registered Office:
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