

# 32<sup>nd</sup>

## Annual Report 2017-18

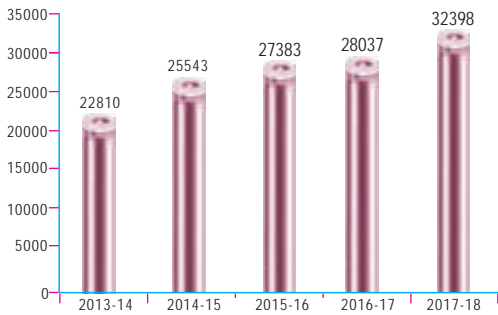


### SAMKRG PISTONS AND RINGS LIMITED

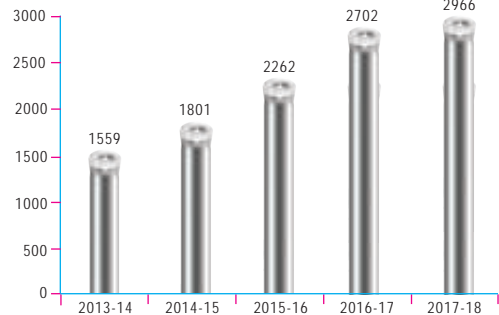
( AN ISO/TS 16949 : 2002 Company )

## PERFORMANCE HIGHLIGHTS

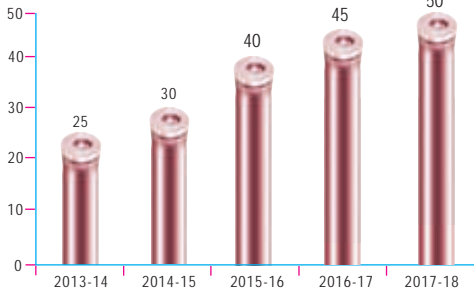
**SALES (Gross) Rs. in lacs**



**PROFIT BEFORE (TAX) Rs. in lacs**



**DIVIDEND %**



**Gross Fixed Assets**



## SAMKR G PISTONS AND RINGS LIMITED

	Rs. in lacs									
Particulars	2017-18	2016-17	2015-16	2014-15	2013-14	2012-2013	2011-12	2010-11	2009-10	2008-09
Sales (Gross)	32397.76	28037.31	27382.56	25543.09	22810.03	19284.49	21933.89	19751.54	15033.04	11610.18
Sales (Net)	24527.71	25159.66	24520.09	23247.38	20562.72	17344.91	19923.59	16935.44	13260.28	9912.92
PBDIT	4399.49	4162.16	3587.53	3419.34	3005.85	2781.91	3212.82	2627.07	2120.09	1729.55
Profit before tax	2965.80	2702.31	2261.71	1800.82	1559.17	1272.93	1775.14	1467.15	1011.85	613.61
Profit after tax	2015.46	1945.66	1570.15	1231.51	1074.60	866.93	1177.79	992.15	710.85	448.28
Profit after tax (%)	8.22	8.47	6.40	5.30	5.23	5.01	5.91	5.86	5.36	4.52
Dividend paid	491.03	441.92	392.82	294.62	245.51	245.51	343.72	441.92	392.82	294.62
Dividend %	50	45	40	30	25	25	35	45	40	30
Share Capital	982.05	982.05	982.05	982.05	982.05	982.05	982.05	982.05	982.05	982.05
Reserves & Surplus	11619.77	10148.30	8237.85	7493.06	6563.38	5776.03	5311.26	4162.83	3577.95	3620.83
Net worth	12601.82	11130.35	9219.90	8475.11	7545.43	6758.08	6293.31	5144.88	4560.00	4602.88
Gross Fixed Assets	26926.58	24422.53	21511.47	19836.24	18607.67	17488.61	16296.28	14296.96	13151.96	12937.28
EPS (Rs)	20.52	19.81	15.99	12.54	10.94	8.83	12.00	10.10	7.24	4.56
Book value/Share (Rs)	128.32	113.34	93.88	86.30	76.83	68.82	64.08	52.39	46.43	46.87
Debt Equity	Zero Debt	Zero Debt	Zero Debt	Zero Debt	Zero Debt	0.21	0.27	0.10	0.05	0.08

## BOARD OF DIRECTORS

Shri S D M Rao	Chairman & Managing Director
Shri S Karunakar	Wholetime Director
Shri S Kishore	Wholetime Director
Shri S Madhava Rao	Director
Shri M N Thakkar	Director (Independent Director)
Shri V Chakrapani	Director (Independent Director)
Ms. N Rishita	Director (Woman Independent)
Shri K Chaitanya Abhishek	Director (Independent Director)

### Principle Officers

Chief Finance Officer	Mrs.N Ratna Kumari
Auditors	M/s. Sridhara Chary V & Co., Chartered Accountants
Cost Auditor	Mr. N V S Kapardhi
Bankers	State Bank of India
Registered Office	1-201, Divyashakti Complex 7-1-58, Ameerpet, Hyderabad - 500 016 Tel : 040 - 23730596 Fax : 040 - 23730216

### Factories

PLANT - I	Sy. No. 537, Temple Road
i) Pistons, Pins Unit	Bonthapally, Narasapur Taluk
ii) Steel Ring Unit	Sangareddy District, Telangana
PLANT - II	Sy. No.33,
i) Cast Iron Ring Unit	Varisam, Pydibhimavaram, Ranastalam Mandal,
ii) Steel Ring Unit	Srikakulam District, A.P.
PLANT - III	Sy. No.232
Pistons & Pins Unit	Arinama Akkivalasa, Allinagaram, Etcherla Mandal, Srikakulam District, A.P.
Registrar and Share Transfer Agent	M/s. XL Softech Systems Ltd 3, Sagar Society, Road No.2 Banjara Hills Hyderabad - 500034 Ph: 040-23545915

## NOTICE

NOTICE is hereby given that the Thirty Second (32<sup>nd</sup>) Annual General Meeting of the Members of the SAMKRG PISTONS AND RINGS LIMITED will be held on Wednesday the 19<sup>th</sup> September, 2018 at 10.30 A.M at Hotel Grandeur, Beside New Science College, Main Road, Ameerpet, Hyderabad - 500073 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the company as at 31<sup>st</sup> March 2018 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.
3. To appoint a Director in place of Shri S Madhava Rao who retires by rotation and being eligible offers himself for re-appointment.
4. To ratify the appointment of auditors of the Company to hold office until the conclusion of the Annual General Meeting for Financial year 2018-19 and the payment of remuneration as fixed by the Board of Directors and to consider and if thought fit to pass, with or without modification(s) the following resolution as an Ordinary Resolution.

"RESOLVED THAT, pursuant to the provisions of section 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 of the Board of Directors, the appointment of M/s. Sridhara Chary V & Co., Chartered Accountants, Hyderabad, (Membership No. 218343) which was made AGM 2017 for Five Consecutive Audit-years ending on the conclusion of AGM FY 2021-22 be and is hereby ratified and confirmed for the remaining audit period on such remuneration as fixed by the Board of Directors"

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

### SPECIAL BUSINESS

5. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, and as recommended by the remuneration committee in its meeting held on 04<sup>th</sup> May, 2018 Board of Directors meeting held on 04<sup>th</sup> May, 2018, consent of the Members be and is hereby accorded to the appointment of Shri S Karunakar (DIN: 01665760) as the Whole Time Director of the Company for the period of 5 years with effect from 01<sup>st</sup> October 2018 subject to the approval of shareholders at the AGM.

#### A. Remuneration:

- i Salary: Rs.3,50,000/- per month (including Dearness Allowances ) in grade of Rs.3,50,000 - 25,000 - 4,75,000

#### B. Perquisites:

- i Housing: Free furnished accommodation or HRA in lieu of Company provided accommodation.
- ii Reimbursement of expenses on actual pertaining to electricity, gas, water, telephone and other reasonable expenses for the upkeep and maintenance in respect of such accommodation as per Company policy.
- iii Car: One Car for use of Company's Business as per Company Car policy.
- iv Medical Expenses Reimbursement: Reimbursement of all expenses incurred for self and family at actual (including domiciliary and medical expenses and insurance premium for medical and hospitalization policy as applicable), as per Company policy.
- v Leave Travel Expenses: Leave Travel Expenses for self and family in accordance with the policy of the Company.
- vi Club fees: Fees of One Corporate Club in India (including admission and annual membership fee).
- vii Reimbursement of entertainment, travelling and all other expenses incurred for the

business of the Company as per the policy of the Company.

viii Leave and encashment of leave - as per the policy of the Company.

ix Personal accident Insurance Premium - as per the policy of the Company.

x Contribution towards Provident Fund and Superannuation Fund or Annuity Fund, National Pension Scheme - as per the policy of the Company.

xi Gratuity and / or contribution to the Gratuity Fund of Company - as per the policy of the Company.

xii Other allowances / benefits, perquisites - any other allowances, benefits and perquisites as per the rules applicable to the Senior Executives of the Company and / or which may become applicable in the future and / or any other allowance, perquisites as the Board may from time to time decide.

C. Shri S Karunakar shall be subject to retirement by rotation during his tenure as the Wholetime Director of the Company. So long as Shri S Karunakar functions as the Wholetime 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 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.”

6 To consider and, if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, and as recommended by the remuneration committee in its meeting held on 04<sup>TH</sup> May, 2018 Board of Directors meeting held on 04<sup>TH</sup> May, 2018, consent of the Members be and is hereby accorded to the appointment of Shri S Kishore (DIN: 01665765) as the Wholetime Director of the Company for the period of 5 years with effect from 01<sup>st</sup> October, 2018 subject to the approval of shareholders at the AGM.

#### A. Remuneration:

- i. Salary: Rs.3,50,000/- per month (including Dearness Allowances ) in grade of Rs.3,50,000 - 25,000 - 4,75,000

#### B. Perquisites:

- i Housing: Free furnished accommodation or HRA in lieu of Company provided accommodation.
- ii Reimbursement of expenses on actuals pertaining to electricity, gas, water, telephone and other reasonable expenses for the upkeep and maintenance in respect of such accommodation as per Company policy.
- iii Car: One Car for use of Company's Business as per Company Car policy.
- iv Medical Expenses Reimbursement: Reimbursement of all expenses incurred for self and family at actuals (including domiciliary and medical expenses and insurance premium for medical and hospitalization policy as applicable), as per Company policy.
- v Leave Travel Expenses: Leave Travel Expenses for self and family in accordance with the policy of the Company.
- vi Club fees: Fees of One Corporate Club in India (including admission and annual membership fee).

- vii Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company as per the policy of the Company.
  - viii Leave and encashment of leave - as per the policy of the Company.
  - ix Personal accident Insurance Premium - as per the policy of the Company.
  - x Contribution towards Provident Fund and Superannuation Fund or Annuity Fund, National Pension Scheme - as per the policy of the Company.
  - xi Gratuity and / or contribution to the Gratuity Fund of Company - as per the policy of the Company.
  - xii Other allowances / benefits, perquisites - any other allowances, benefits and perquisites as per the rules applicable to the Senior Executives of the Company and / or which may become applicable in the future and / or any other allowance, perquisites as the Board may from time to time decide.
- C. Shri S Kishore shall be subject to retirement by rotation during his tenure as the Wholetime Director of the Company. So long as Shri S Kishore functions as the Wholetime 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 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.
2. Proxies in order to be effective should be duly stamped, completed and signed and must be deposited at the registered office of the Company not later than 48 hours before the commencement of meeting.
3. Members/Proxies should bring their copy of Annual Reports along with Attendance Slip duly filled in for attending the meeting.
4. The Register of the members and Share Transfer Books of the Company will remain closed from 12<sup>th</sup> September 2018 to 19<sup>th</sup> September 2018 **(Both days inclusive).**
5. Pursuant to Section 124(5) of the Companies Act, 2013, all unclaimed / unpaid dividends up to the financial year ended 31<sup>st</sup> March, 2010 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.
6. Members, who have not yet en-cashed their dividend warrant(s) for the financial years from 2010-11 to 2016-17, are requested to make their claims to the Company without any delay.
7. In the terms of notification issued by SEBI, the Equity Shares of the Company are under compulsory Demat trading for all Investors from 24<sup>th</sup> 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.
8. 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.
9. The Annual Listing fee for the year 2018-19 has been paid to BSE Ltd.



## GREEN INITIATIVE IN CORPORATE GOVERNANCE

Rule 11 of the Companies (Accounts) Rules, 2014, permits circulation of Annual Report through electronic means to such of the members whose e-mail address are registered with NSDL, CDSL or with the company to receive the documents in electronic form and physical copies to those shareholders whose email address have not been either registered with the company or with the DPs

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 STA, in case the shares are held in physical form.

### Instructions about Voting:

The Members are requested to opt for one mode of voting, i.e. either through e-voting or postal ballot. If a member casts votes by both modes, then voting done through a valid e-Voting shall prevail and physical ballot form voting of that Member shall be treated as invalid. Please refer the following detailed instructions for both voting.

#### 1. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing Members facility to exercise their right to vote at the Postal Ballot by electronic means through e-voting Services provided by Central Depository Services (India) Limited (CDSL). The instructions for e-voting are as under:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Select the "Samkrp Pistons and Rings Limited" from the drop down menu and click on "SUBMIT"
- (iv) 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members 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)
	<ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> </ul>
	<ul style="list-style-type: none"> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
	<ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Samkrg Pistons and Rings Limited> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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 should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - 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
2. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
3. The voting period begins on 16.09.2018 (9.00 AM) and ends on 18.09.2018 (6.00 PM). During this period shareholders’ of the Company, holding shares either in Physical form or in Dematerialized form, as



of 11.09.2018 (i.e. the cut-off date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

4. In case you have any queries or issues or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help Section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or [admin@samkrp.com](mailto:admin@samkrp.com)
5. The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the company as on the cut-off date i.e.11.09.2018.
6. Mr. V B S S Prasad, Practicing Company Secretary (F.C.S No.4139), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
7. The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman /Managing Director of the Company.

In case of members receiving the physical copy:

- (A) In case of members receiving the physical copy, Please follow all steps from Sl. No. (i) to Sl. No. (xvii) above to cast vote.
- (B) The voting period begins on Sunday the 16<sup>th</sup> September, 2018, at 9.00 AM and ends on Tuesday the 18<sup>th</sup> September, 2018 at 6.00 PM. 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 11.09.2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

BY ORDER OF THE BOARD  
For SAMKRG PISTONS AND RINGS LIMITED

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

Place : Hyderabad  
Date : 4<sup>th</sup> May, 2018

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### ITEM NO. 5

Shri S Karunakar was appointed as Wholetime Director for the period of 5 years w.e.f. 01.10.2013 to 30.09.2018. The period of appointment will be expired on 30.09.2018 and needs reappointment for a further period of 5 years w.e.f 01.10.2018 to 30.09.2023. Presently the remuneration is Rs.3,50,000/- including HRA and other perks respectively as approved by the shareholders in the 27<sup>th</sup> Annual General Meeting held on 27.09.2013.

In view of the growth in the activities of the company it is felt that remuneration of the Wholetime Director will be suitably commensurate with his responsibilities.

The Directors recommend the resolutions for approval. None of the Directors are interested in the resolution except Shri S D M Rao, Chairman & Managing Director, Shri S Madhava Rao, Director, Shri S Kishore, Wholetime Director who are related to Shri S Karunakar.

### ITEM NO. 6

Shri S Kishore was appointed as Wholetime Director for the period of 5 years w.e.f. 01.10.2013 to 30.09.2018. The period of appointment will be expired on 30.09.2018 and needs reappointment for a further period of 5 years w.e.f 01.10.2018 to 30.09.2023. Presently the remuneration is Rs.3,50,000/- including HRA and other perks respectively as approved by the shareholders in the 27<sup>th</sup> Annual General Meeting held on 27.09.2013.

In view of the growth in the activities of the company it is felt that remuneration of the Wholetime Director will be suitably commensurate with his responsibilities.

The Directors recommend the resolutions for approval. None of the Directors are interested in the resolution except Shri S D M Rao, Chairman & Managing Director, Shri S Madhava Rao, Director, Shri S Karunakar, Wholetime Director who are related to Shri S Kishore.

## Director's Report

### DEAR SHAREHOLDERS

Your Directors are pleased to present 32<sup>nd</sup> Annual Report and the Audited Accounts of the Company for the year ended March 31, 2018.

### Financial Results (₹ In Lakhs)

	2017-18	2016-17
Gross Sales	32397.76	28037.31
Other Income	228.60	134.78
Profit Before Interest, Depreciation and Tax (PBDIT)	4399.49	4162.16
Interest	128.51	173.49
Profit Before Depreciation and Tax (PBDT)	4270.98	3988.67
Depreciation	1305.18	1286.36
Profit Before Exceptional Item	2965.80	2702.31
C S R	37.50	31.65
Extraordinary Item	0	0
Profit After CSR	2928.30	2670.66
Provision for Taxation		
i) Current Year	866.25	685.00
ii) Deferred Taxation	46.59	40.00
Net Profit Before Extraordinary Item	2015.46	1945.66
Extraordinary Item	0	0
Profit After Extraordinary Item	2015.46	1945.66

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

### OPERATIONS:

The Company achieved the gross turnover of Rs.32397.76 Lakhs during year 2017-18 as against Rs.28037.31 Lakhs in the previous year 2016-17 there by recorded an increase of 15.55%. Your company has posted Net turnover of Rs.24527.71 Lakhs during year 2017-18 as compared to Rs.22965.02 Lakhs for the previous year 2016-17 i.e. an increase of 6.80%.

The company R&D expenditure is Rs.122.64 Lakhs i.e. 0.50% of Net sales during the year to catch up withup-gradation of technology and to meet OEM's ever demanding quality and new developments requirement to improve life cycle of their product meeting BS IV norms of environmental standards for Auto components.

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

Earnings Before Depreciation, Interest and Tax (PBDIT) at Rs.4399.49 Lakhs as against previous year of Rs.4162.16 Lakhs. The Profit Before Tax was at Rs.2965.80 lakhs as compared to Rs. 2702.31 Lakhs in 2016-17 an increase of 9.75%

### LISTING OF EQUITY SHARES

The Company's equity shares are listed on BSE Ltd., Feroz Jeejeebai 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).

### 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, 2018 and the Profit & Loss account to 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.

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

The Independent Directors have submitted the declaration of independence as required pursuant Sec. 147 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 Shri V Chakrapani, Shri M N Thakkar and Shri S. MadhavaRao.

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 out 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.

#### **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.

#### **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.253.07 Lakhs to the General Reserve for the financial year ended 31st March, 2018.

#### **DIVIDEND**

The Board of Directors of the company at its meeting held on 4<sup>th</sup> May, 2018 have recommended @ 50% on equity share i.e. Rs.5.00 per share on face value of Rs. 10/- each.

#### **EXTRACT OF ANNUAL RETURN**

The Extract of Annual Return is prepared in Form MGT-9 as per the provisions of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 and the same is enclosed as Annexure-1 to this report.

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.

#### RISK MANAGEMENT COMMITTEE

Risk management committee consists of the following Directors:

1. Shri S.D.M. Rao - Managing Director
2. Shri S Madhava Rao - Director
3. Shri V Chakrapani - Director

#### 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 some times 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 role on the profitability of the company.

#### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee consists of the following Directors:

S.No.	Name	Designation
1	Shri V Chakrapani	Chairman
2	Shri S Kishore	Member
3	Shri S Madhava Rao	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 Rule 8 of Companies (Corporate Social Responsibility) Rules, 2014 is prepared and the same is enclosed as Annexure - 3.

#### BOARD OF DIRECTORS

Shri S Madhava Rao, Director who is liable to retire by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

#### 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 as not applicable.

#### AUDITORS

##### Statutory Auditors

At the Annual General Meeting held on 25<sup>th</sup> 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 (ICAI Reg. No.011478S) Statutory Auditors in their report for the Financial Year ended March 31st 2018.

##### Audit Committee

Composition 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 have 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 cases.

**SECRETARIAL AUDITOR REPORT**

As per the provisions of Section 204 of the Companies Act, 2013, the Board of Directors have appointed Shri 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, 2018.

Secretarial Audit Report issued by Shri 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 ending March 31st, 2018.

**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, 2018 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 Work place in accordance with the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013.

During the Financial year ended 31st March, 2018, 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

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

Place : Hyderabad

Date : 4th May, 2018



**ANNEXURE - I**  
**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
 (Management & Administration ) Rules, 2014.

**I REGISTRATION & OTHER DETAILS:**

i	CIN	L27310TG1985LC005423
ii	Registration Date	30 <sup>th</sup> March, 1985
iii	Name of the Company	SAMKRG PISTONS AND RINGS LIMITED
iv	Category/Sub-category of the Company	Manufacturing
v	Address of the Registered office & contact details	1-201, Divyashakti Complex, 7-1-58, Ameerpet, Hyderabad - 500016
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. XL Softech Systems Ltd., 3, Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500034, Ph: 040-23545915

**II PRINCIPLE BUSINESS ACTIVITIES OF THE COMPANY:**

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

Sl. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	AUTOMOBILE PISTON ASSEMBLIES	84099114	100%

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES:**

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
NIL					

IV SHAREHOLDING PATTERN (Equity Share Capital)									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				Break up as % to total Equity)
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.									
(1)									
a)	6567839		6567839	66.88	6567839		6567839	66.88	0.00
b)									
c)									
d)									
e)									
	6567839	0	6567839	66.88	6567839	0	6567839	66.88	0.00
(2)									
a)									
b)									
c)									
d)									
e)									
	0	0	0	0	0	0	0	0	0.00
	6567839	0	6567839	66.88	6567839	0	6567839	66.88	0.00
B.									
(1)									
a)		2100	2100	0.02		2100	2100	0.02	0.00
b)		1200	1200	0.01		1200	1200	0.01	0.00
c)									
d)									
e)									
f)									
g)									
h)									
i)									
	0	3300	3300	0.03	0	3300	3300	0.03	0.00

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non Institutions									
a) Bodies corporates									
i) Indian	164379	2350	166729	1.70	158357	2350	160707	1.64	-6022
i) Overseas									-0.06
b) Individuals									
i) Individual shareholders holding nominal share capital upto 2 lakhs	2349147	301371	2650518	26.99	2383712	281222	2664934	27.14	14416
ii) Individuals shareholders holding nominal share capital in excess of 2 lakhs	276326	69443	345769	3.52	282028	64343	346371	3.53	602
c) Others (specify)									0.01
NRI'S	72328	2450	74778	0.76	70940	2450	73390	0.75	-1388
Bodies (Clearing Memb)	11567	0	11567	0.12	3959	0	3959	0.04	-7608
SUB TOTAL (B)(2):	2873747	375614	3249361	33.09	2898996	350365	3249361	33.09	0
Total Public Shareholding (B)= (B)(1)+(B)(2)	2873747	378914	3252661	33.12	2898996	353665	3252661	33.12	0
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	9441586	378914	9820500	100	9466835	353665	9820500	100	0

## Share Holding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the year	
		No of Shares	% of total shares of the Company	% of shares pledged encumbered to total shares	No of Shares	% of total shares of the company	% of shares pledged encumbered to total shares		
1	Saripalli Saraswathi	2630211	26.78	Nil	2630211	26.78	Nil	0	0.00
2	Saripalli Dali Mrutyunjaya Rao	1673320	17.04	Nil	1673320	17.04	Nil	0	0.00
3	Saripalli Kishore	647155	6.59	Nil	647155	6.59	Nil	0	0.00
4	Saripalli Karunakar	586971	5.98	Nil	586971	5.98	Nil	0	0.00
5	Nama Ratna kumari	417668	4.25	Nil	417668	4.25	Nil	0	0.00
6	S Sharmila	182350	1.86	Nil	182350	1.86	Nil	0	0.00
7	S Padma	218800	2.23	Nil	218800	2.23	Nil	0	0.00
8	Tanneru Aruna kumari	111364	1.13	Nil	111364	1.13	Nil	0	0.00
9	Rishita Nama	50000	0.51	Nil	50000	0.51	Nil	0	0.00
10	Sri Anusha Nama	50000	0.51	Nil	50000	0.51	Nil	0	0.00
	TOTAL	6567839	66.88		6567839	66.88			0.00

(iii) Change in promoters' shareholding (specify if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	No changes in promoters shareholding during the year			
	Date wise increase/decrease in promoters share holding during the year specifying the reasons for increase/decrease(e.g. Allotment/transfer/ bonus/sweat equity etc)				
	At the end of the year	No changes in promoters shareholding during the year			

**(iv) Shareholding pattern of top ten shareholders (other than directors, promoters & holders of GDRS & ADRS)**

Sl. No.	For each of the top 10 shareholders	Shareholding at the end of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Narippen Obhrai	65069	0.66	65069	0.66
2	Sunil A Hinduja	60000	0.61	60000	0.61
3	Vibha S Hinduja	55000	0.56	55000	0.56
4	Sunita Santosh Goenka	46895	0.47	46895	0.47
5	S Monish	38800	0.39	38800	0.39
6	Pradeep R Datar	31279	0.31	31279	0.31
7	S Lakshmi Charishma	25543	0.26	25543	0.26
8	Neeta Paras Vasa	23785	0.24	23785	0.24
9	Batlivala and Karani Securities Ind Pvt. Ltd	23744	0.24	23744	0.24
10	Batlivala & Karani Capital Pvt Ltd	19400	0.19	19400	0.19

**(v) Shareholding of Directors & KMP**

Sl. No.	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Shri S D M RAO				
	At the beginning of the year	1673320	17.04	1673320	17.04
	At the end of the year	1673320	17.04	1673320	17.04
2	Shri S Karunakar				
	At the beginning of the year	586971	5.98	586971	5.98
	At the end of the year	586971	5.98	586971	5.98
3	Shri S Kishore				
	At the beginning of the year	647155	6.59	647155	6.59
	At the end of the year	647155	6.59	647155	6.59
4	Shri S Madhava Rao				
	At the beginning of the year	500	0.01	500	0.01
	At the end of the year	500	0.01	500	0.01
5	Shri V Chakrapani				
	At the beginning of the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
6	Shri M N Thakkar				
	At the beginning of the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
7	Mrs. N. Ratna Kumari				
	At the beginning of the year	417668	4.25	417668	4.25
	At the end of the year	417668	4.25	417668	4.25
8	Ms. N Rishita				
	At the beginning of the year	50000	0.51	50000	0.51
	At the end of the year	50000	0.51	50000	0.51
9	Shri A Venkateswara Rao				
	At the beginning of the year	65	0.001	65	0.001
	At the end of the year	65	0.001	65	0.001

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

Sl. No.		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	<b>Indebtness at the beginning of the financial year</b>				
i)	Principal Amount				
ii)	Interest due but not paid				
iii)	Interest accrued but not due				
	<b>Total (i+ii+iii)</b>				
	<b>Change in Indebtedness during the financial year</b>				
	Additions				
	Reduction				
	Net Change				
	<b>Indebtedness at the end of the financial year</b>				
i)	Principal Amount				
ii)	Interest due but not paid				
iii)	Interest accrued but not due				
	<b>Total (i+ii+iii)</b>				

**VI Remuneration of Directors and Key Managerial Personnel**
**A. Remuneration to Managing Director, Whole Time Director and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
1	<b>Gross salary</b>	S.D.M RAO CMD	S. KARUNAKAR WTD	S. KISHORE WTD	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	1500000	4050000	4050000	9600000\
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				
2	<b>Stock option</b>				
	<b>Sweat Equity</b>				
	Commission	4500000	9000000	9000000	22500000
	as% of profit				
	others (specify)				
	Others, please specify				
	<b>Total (A)</b>	6000000	13050000	13050000	32100000
	<b>Ceiling as per the Act</b>				



**B. Remuneration to other Directors:**

Sl. No.	Particulars of Remuneration	Name of the Directors					Total Amount
1	Independent Directors	Shri M N Thakkar	Shri S Madhava Rao	Shri V Chakrapani	Shri Akula Venkateswara Rao	Ms. Nama Rishita	
	(a) Fee for attending board committee meetings	4000	12000	18000	2000	8000	44000
	(b) Commission						
	(c) Others, please specify						
	<b>Total (1)</b>	4000	12000	18000	2000	8000	44000
2	Other Non Executive Directors						
	(a) Fee for attending board committee meetings						
	(b) Commission	-	-	-	-	-	-
	(c) Others, please specify.						
	<b>Total (2)</b>						
	<b>Total (B)=(1+2)</b>	4000	12000	18000	2000	8000	44000
	<b>Total Managerial Remuneration</b>						
	<b>Overall Cieling as per the Act.</b>						

**C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD**

Sl.No.	Particulars of Remuneration			
1	Gross Salary	Company Secretary	CFO	Total
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		14,40,000	14,40,000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
	as % of profit			
	others, specify			
5	Others, please specify			
	<b>Total</b>		14,40,000	14,40,000

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding Fees Imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
A. Company			None		
Penalty					
Punishment					
Compounding					
B. Directors			None		
Penalty					
Punishment					
Compounding					
C. Other Officers in Default			None		
Penalty					
Punishment					
Compounding					

**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. Introduced medium frequency induction furnace.
- 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 Silicon Crucible.
- 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 Lights.

**B. TECHNOLOGY ABSORPTION:**
**(A) Research and Development (R&D)**

1. **Specify areas in which R & D :** Training to upgrade in multi skill of employees in all the plants and all levels carried out by the Company by Japanese Consultants and German Consultants: On Design, Manufacturing process of Pistons & Rings and Casting Technology.

**I) On Design:**

- i) Completed change over to twin casting Machines and tooling to reduce Aluminum Alloy consumption and to improve quality,
- ii) Developed complete steel ring packs for 2W, 3W, Cars & Trucks,
- iii) Developed flexible lines on CNC to reduce cycle times and on line inspection,
- iv) Developed Asymmetric Profile Piston Rings for both Nitrated & Chrome plate Rings.
- v) Developed Moly coating processes for piston & Rings
- vi) Developed Asymmetric profile Pistons for Motorcycle with Japanese Technology.

**II) Manufacturing Process:**

- a. Engine testing to speed up Piston & Ring validation process to the Customer
- b. Developed light weight and high Strength pistons for meeting BS IV norms and planning to meet the requirements of BS VI

**2 Future plan of action:**

- Planning to develop cooling gallery pistons for diesel engines.
- Ceramic coating (CKD) of piston rings for 4 & 6 Wheeler
- Practicing TPM

**3 EXPENDITURE ON R & D:**

(₹ In Lakhs)

	2017-18	2016-17
a) Capital	73.58	56.61
b) Recurring	49.66	69.19
c) Total	122.64	125.80
d) Total R & D Expenditure as a percentage of N.Sales	0.50%	0.55%

**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.1113.69 lakhs
Total Foreign Exchange earned	:	Rs.4560.59 lakhs

for and on behalf of the Board

Sd/-

Place : Hyderabad  
 Date : 4th May 2018

S. D. M. RAO  
 Chairman & Managing Director

**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;
  - ii. 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
  - iii. Rural development projects.

Web link: [www.samkrgpistonsandrings.com](http://www.samkrgpistonsandrings.com)**2. Composition of CSR Committee:**

S.No.	Name	Designation
1	Shri V Chakrapani	Chairman
2	Shri S Kishore	Member
3	Shri S Madhava Rao	Member

**3. Average Net Profit for Last Three Financial Years:**

Net Profit	For the Financial Year ended 31 <sup>st</sup> March (Rs In Lakhs)		
	2016-17	2015-16	2014-15
	1945.66	1570.15	1231.51
Average Net Profit for the preceding Three Financial Years		Rs 1582.44 Lakhs	

Prescribed CSR Expenditure (2% of Average Net Profit)

Details of CSR spend for the financial year 2017-18

a. Total Amount Spent for the financial year : Rs. 31.65 Lakhs

b. Amount unspent, if any : Rs. 37.50 Lakhs.

Details of CSR spent for the financial year 2017-18

a. Total Amount Spent for the financial year : Rs. 37.50 Lakhs

b. Amount unspent, if any : Nil

**c. Manner in which the amount spent during the financial year is detailed below: (Rs. in Lakhs)**

(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, Vizianagaram Dist.	Rs. 37.50 Lakhs	Nil	Rs. 37.50 Lakhs	Spent Directly
<b>TOTAL</b>				<b>Rs. 37.50 Lakhs</b>		<b>Rs. 37.50 Lakhs</b>	

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.

## ANNEXURE - 4

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2018

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  
Hyderabad.**

1. We 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** (hereinafter called as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.
2. The company is engaged in the business of manufacturing and supply of Automobile components i.e Pistons, Piston Rings and Piston Pins
3. Based on our verification of the books, papers, minute books, forms, returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations furnished and representations made to us by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the Audit Period covering the Financial Year ended 31st March, 2018 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. We 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 2017 and ended with 31st March, 2018 ("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 Inside Trading) Regulations, 1992;
    - 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;

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

- (i) Income Tax act, 1961

- (ii) Central Sales Tax Act, 1956
  - (iii) Telangana & Andhra Pradesh Value Added Tax
  - (iv) Goods and Service Tax Act, 2017
  - (v) The payment of bonus Act, 1965
  - (vi) Telangana & Andhra Pradesh Tax on Professions, Trades, Callings and Employments Act, 1987
  - (vii) Customs Act, 1962
  - (viii) Finance Act, 1994 (Service Tax)
  - (ix) Factories Act, 1948
  - (x) Industrial Disputes Act, 1947
  - (xi) Minimum Wages Act, 1948
  - (xii) The Payment of Gratuity Act, 1972
  - (xiii) The Payment of Wages Act, 1936
  - (xiv) The Maternity Benefit Act, 1961
  - (xv) Telangana Shops & Establishment Act, 2014 & A.P Shops & Establishment Act, 1988
  - (xvi) The National and Festival Holidays Act, 1963
  - (xvii) The Employees Provident fund and Miscellaneous provisions act, 1952
  - (xviii) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1956
5. We have also examined compliance of:
- a. The applicable Clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and
  - b. the applicable Secretarial Standards
6. We 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 exchanges.
  - (iv) SEBI (Delisting of Equity Shares) Regulations, 2009 are not applicable, as there being no 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. We 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. There are no changes in the compositions of the Board of Directors during the period under review except Shri. A. Venkateswara Rao, Independent Small Shareholders Director, vacated his office, as his term expired and Shri K Chaitanya Abhishek was appointed as Independent Director.
  - 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 not 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. Company is in the process of appointing Company Secretary as required under Section 203 of the Companies Act, 2013.
8. We 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. We 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.

Sd/-  
**V B S S PRASAD**

Company Secretary  
 M.No.: 4139  
 CP No.: 4605

Place : Hyderabad  
 Date : 27.04.2018

### Annexure to the Secretarial Audit Report

To  
**The Members,**  
**M/s Samkrg Pistons and Rings Limited**  
 Hyderabad.

Our 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. Our responsibility is to express an opinion on these Secretarial records, Standards and procedures followed by the Company with respect to secretarial compliance.
3. We believe that audit evidence and information obtained from the company's Management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we 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

Sd/-  
**V B S S PRASAD**

Company Secretary  
 M.No.: 4139  
 CP No.: 4605

Place : HYDERABAD  
 Date : 27.04.2018

### ANNEXURE - 5

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, 2018.

Name of the Employee	Age	Designation	Qualification & Experience	Date of commencement of employment	Remuneration & Commission	Particulars of last employment
Shri S.D.M. Rao	84 Years	Chairman & Managing Director	B.Sc, B.E Industrial Experience over 50 years	01.07.1987	60,00,000/-	A.P.S Limited
Shri S. Karunakar	55 Years	Whole Time Director	B.E (Mechanical)	30.09.1998	1,30,50,000/-	N.A
Shri S. Kishore	53 Years	Whole Time Director	B.E (Mechanical)	30.09.1998	1,30,50,000/-	N.A



## Management Discussion and Analysis Report

The automobile industry growth is dependent on overall growth of economy. Indian Industry is now growing as potential Global automotive supplier with very good export potential as the developing Countries comes out of recession.

The Company has very good opportunities because of long term business relationship with valued customers both in Domestic OEM's and Replacement Market & Exports and also in time supplies, superior quality 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:

The company continues its drive for sustainable growth in this growing Domestic automotive industry. In view of strong support of OEM's and because of establishing good distribution network, company is poised for good 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. The company expects moderate demand growth in the automobile industry during 2018-19 and long term prospects for the industry growth remain strong in line with the outlook for the OEM segment.

The company is targeting to achieve higher growth rate in 2018-2019 based on new business acquired from key OEM's and increased focus on After Market both Domestic and Export.

### FINANCIAL PERFORMANCE:

The Company earned total gross revenue of Rs.32397.76 Lakhs compared with Rs.28037.31 lakhs in the previous year and the operational expenses Rs.29660.56 Lakhs compared with Rs.25469.78 Lakhs incurred last year.

Profit Before Depreciation, Interest and Tax (PBDIT) at Rs.4399.49 lakhs. The Profit Before Tax was at Rs.2965.80 lakhs before Exceptional item of Rs.37.50

Lakhs as compared to Rs.2702.31 Lakhs in 2016-17 an increase of 9.75%. Company has no long term loans.

### HUMAN RESOURCES

The Company maintains cordial industrial relations environment and the Company continues to establish its training facilities at all levels of employees.

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.

### 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

### EXPORTS

The Company is focusing exports to developed Countries like Europe, U.K, France, Germany, Spain Brazil and Russia. The Company has plans to reach 20% 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 the Financial Statements.

## 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 consists of Eight, three are Executive Directors, and the other Five are Non Executive 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 2017-2018 the Board of Directors met 4 (Four) times on 10.05.2017, 09.08.2017, 26.10.2017 and 05.02.2018.

The following table gives the composition of Directors and their attendance at the Board Meetings held on the dates above mentioned, and the Thiry First Annual General Meeting held on 25<sup>th</sup> September, 2017.

Name of the Director	Category	No of Board meetings attended	Attendance at Last AGM	No. of outside directorships held
Shri S.D.M Rao	ED	4	YES	Nil
Shri M.N. Thakkar	ID	2	NO	2
Shri S Madhava Rao	NED	3	YES	1
Shri V Chakrapani	ID	4	YES	Nil
Shri S Karunakar	ED	4	YES	Nil
Shri S Kishore	ED	4	YES	Nil
Shri A Venkateswararao	NED	1	YES	Nil
Ms. Nama Rishita	NED	4	YES	NIL

ED - Executive Director, NED - Non Executive Director ID - Independent Director

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 services.
- Important labour problems and their proposed solutions;

d) **Directors seeking re-appointment.**

Shri S Madhava Rao, Director, retire by rotation at the forth coming Annual General Meeting and 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](http://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 grievance and share transfer committee
- a. **Audit Committee:**

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

The Audit Committee during the year ended 31st March, 2018 comprised of Three members out of whom there are One Non-Executive Independent Director, One Wholetime Director and one Non-Executive Director Viz., Shri V Chakrapani (Chairman and Non-Executive Director of the Committee), Shri S Madhava Rao (Non-Executive Independent Director) and Shri S. Kishore (Wholetime 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
Shri V Chakrapani (Chairman)	4	4	Nil
Shri S MadhavaRao	4	3	Nil
Shri S. Kishore	4	3	Nil

The audit committee met on four occasions i.e. 10<sup>th</sup> May 2017, 9<sup>th</sup> August 2017, 26<sup>th</sup> October 2017 and 05<sup>th</sup> February 2018.

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

##### 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 V. Chakrapani, Shri M.N. Thakkar and Shri S Madhava Rao.

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

##### REMUNERATION OF DIRECTORS:

The details of remuneration paid/payable to all the directors for the year 2017-18 are:

##### i. Non executive directors (sitting fee only)

Shri M.N. Thakkar	4000/-
Shri S. Madhava Rao	12000/-
Shri V. Chakrapani	18000/-
Shri A Venkateswara Rao	2000/-
Ms. Nama Rishita	8000/-

##### ii. Managing/wholetime Director (No Sitting fee)

	Managing Director	% To Net Profit	Wholetime Director	% To Net Profit	Wholetime Director	% To Net Profit
Fixed						
Salary	15,00,000/-		40,50,000/-		40,50,000/-	
Variable						
Commission	45,00,000		90,00,000/-		90,00,000/-	
Total	60,00,000/-	2.05%	130,50,000/-	4.46%	130,50,000/-	4.46%

### c. Stakeholders relationship, grievance and share transfer committee

The Shareholders/Investor Grievances committee comprises two Directors names as follows :

Shri. S Madhava Rao	Chairman	Non Executive
Shri. S Karunakar	Member	Executive

The Committee met twice during the year. The details on which the meetings were held on : 09.08.2017 & 05.02.2018. All the members have attended all the meetings and the General Manager (Commercial) is the 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 were attended within the maximum period of 30 days. All Transfers were completed within the maximum period of 30 days.

### 4. ANNUAL GENERAL MEETINGS:

Year	Location of holding AGM	Date and Time of AGM
2016-2017	Hotel Grandeur, Opp: J C Brother, Beside New Science College, Main road, Ameerpet, Hyderabad - 500073	25 <sup>th</sup> September, 2017 at 10.30 A.M
2015-2016	Hotel Grandeur, Opp: J C Brother, Beside New Science College, Main road, Ameerpet, Hyderabad - 500073	18 <sup>th</sup> August, 2016 at 10.30 A.M
2014-2015	Hotel Grandeur, Opp: J C Brother, Beside New Science College, Main road, Ameerpet, Hyderabad - 500073	21 <sup>st</sup> September, 2015 at 10.30 A.M

### Special Resolutions passed during the previous three Annual General Meetings:

- 31<sup>st</sup> Annual General Meeting  
There are no Special Resolutions
- 30<sup>th</sup> Annual General Meeting  
There are no Special Resolutions
- 29<sup>th</sup> Annual General Meeting
- There are no Special Resolutions

### 5. DISCLOSURES

The Company complied with all the regulations of the Stock Exchanges, Securities and Exchange Board of India and other statutory bodies regulating the capital markets. No stretchers or penalties were imposed on the company. There are no transactions with related parties having potential conflict with the interest of the company at large. Other transactions are adequately disclosed in the notes to Annual Accounts.

### 6. MEANS OF COMMUNICATION

Quarterly Financial Results of the Company are forwarded to the BSE Limited and published in Financial Express/Business Standard (English) and Andhra Prabha (Telugu). Annual results/shareholding pattern etc., of the company posted on the SEBI EDIFAR.

### 7. Postal Ballot

The company did not pass any resolution by postal ballot during the Financial Year 2017-18.

**8. GENERAL SHAREHOLDER INFORMATION:**

<b>Date, Time and Venue of the 32<sup>nd</sup> Annual General Meeting</b>	:	<b>19<sup>th</sup> September, 2018 At Hotel Grandeur Beside New Science College, Main Road, Ameerpet, Hyderabad - 500073</b>
Financial Calendar	:	April to March
First quarter results	:	On or before 2 <sup>nd</sup> week of August 2018
Second quarter results	:	On or before 2 <sup>nd</sup> week of November 2018
Third quarter results	:	On or before 2 <sup>nd</sup> week of February 2019
Results for the year ending March, 2019	:	End May 2019
Date of Book Closure	:	12 <sup>th</sup> September 2018 to 19 <sup>th</sup> September 2018 (Both days inclusive)
Dividend Payment date	:	Within 30 days from Date of AGM
Listing On Stock Exchanges	:	BSE Limited
Stock Code	:	520075 (BSE)
Demat ISIN No for CDSL and NSDL	:	INE706B01012
Dematerialization of shares	:	96.40% of the paid up capital has been Dematerialized as on 31.03.2018

**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 2017 - 2018**

Month	High Rate	Low Rate
April, 2017	236.00	201.20
May, 2017	302.50	221.00
June, 2017	300.00	255.00
July, 2017	324.00	263.00
August, 2017	301.00	227.60
September, 2017	285.80	255.50
October, 2017	364.40	270.00
November, 2017	359.80	319.50
December, 2017	374.00	330.00
January, 2018	379.00	305.00
February, 2018	325.00	281.00
March, 2018	305.80	265.50

Outstanding ADR/GDR	:	Not Issued
Registered Office	:	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, Temple Road, 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) 23545915
Trading in shares (Electronic Form)	:	Made Compulsory for all categories of Investors w.e.f 26-12-2000 on Stock Exchanges as per SEBI's mandate
Compliance Officer	:	Mrs. N Ratna Kumari
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	:	2007-08 - 35%    2008-09 - 30%    2009-10 - 40% 2010-11 - 45%    2011-12 - 35%    2012-13 - 25% 2013-14 - 25%    2014-15 - 30%    2015-16 - 40% 2016-17 - 45%
Closing price of Company's Shares on Stock Exchange, Mumbai on 31.03.2018	:	Rs. 269.95
All Time high of Company's Share price on BSE Limited	:	Rs. 379.00
Secretarial Audit	:	Secretarial Audit is being carried out every quarter by a practicing Company Secretary and audit report is placed before the Board for its perusal and filed regularly with the Stock Exchanges within the stipulated time.



**PATTERN OF SHAREHOLDING AS ON 31.03.2018**

Description	No. of Shareholders	%	No. of Shares	%
Promoters	10	0.0985	6567839	66.88
Individuals	9811	96.6697	3011305	30.66
FII, NRIs/OCB	183	1.8031	73390	0.75
Financial Institutions and Banks	2	0.0197	1200	0.01
Mutual Funds	2	0.0197	2100	0.02
Bodies Corporate	129	1.2711	160707	1.64
Clearing Members	12	0.1182	3959	0.04
<b>TOTAL</b>	<b>10149</b>	<b>100.000</b>	<b>9820500</b>	<b>100.00</b>

**DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2018**

Range			No. of Shareholders	%	Share Amount	
					In Rs.	%
Upto	-	5,000	9134	90.00	12082110	12.30
5,001	-	10,000	550	5.42	4361350	4.44
10,001	-	20,000	264	2.60	3946040	4.02
20,001	-	30,000	81	0.80	2004820	2.04
30,001	-	40,000	27	0.27	976520	0.99
40,001	-	50,000	23	0.23	1072910	1.09
50,001	-	1,00,000	40	0.39	2940080	2.99
1,00,001	&	Above	30	0.30	70821170	72.12
		<b>TOTAL</b>	<b>10149</b>	<b>100.00</b>	<b>98205000</b>	<b>100.00</b>

## 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, 2018 as envisaged in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 .

Place : Hyderabad  
Date : 4<sup>th</sup> May 2018

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

## 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, 2018:

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.

Place : Hyderabad  
Date : 4<sup>th</sup> May 2018

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

## INDEPENDENT AUDITOR'S REPORT

TO  
THE MEMBERS OF  
SAMKRG PISTONS AND RINGS LIMITED

### Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of SAMKRG PISTONS AND RINGS LIMITED ("the company"), which comprise the balance sheet as at 31st March, 2018, the statement of profit and loss (including other comprehensive income), the Cash Flow statement for the year ended, and the statement of Changes in Equity for the year ended and a summary of the significant accounting policies and other explanatory information, [in which are incorporated the Returns for the year ended on the date of the company's branch at VISAKHAPATNAM]

### Management's Responsibility for the Standalone Ind AS Financial Statements

The company's Board of Directors are responsible for the matters stated in section 134(5) of the companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that gives a true and fair view of the financial position, financial performance including other comprehensive income, and Cash Flows and changes in equity; of the company in accordance with the accounting principles generally accepted in India, including the Accounting standards specified under section 133 of the Act, read with Rule 7 of the companies (Accounting) Rules, 2014. 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 judgment 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS Financial Statement based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of Ind AS Financial Statements in accordance with the standards on Auditing specified under section 143 (10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material mis-statement. An Audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in Ind AS financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the company's Directors, as well as evaluating the overall presentation of the Ind AS Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS Financial Statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by 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 Financial Position of the company as at 31st March 2018, and its Financial Performance including other comprehensive income and Cash Flows and Changes in Equity for the year ended on that date.

## OTHER MATTERS

The Comparative Financial information of the Company for the year ended 31st March, 2017 and transition date opening balance sheet as at 01/04/2016 included in these Standalone Financial Statements, are based on the previously issued Statutory Financial Statements prepared in accordance with Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March, 2017 and 31st March, 2016 dated 10.05.2017 and 23.05.2016 respectively expressed an unmodified opinion on those standalone financial statements as adjusted for the differences in the accounting principles adopted by the company on transition to the Ind AS which have been audited by us.

Our Opinion is not modified in respect of these matters.

### Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statement:

- a) Note 2-contingent liabilities- to the financial statement which, describes the pending un-certainty related to the outcome of the appeal filed with ADC(CT) with regard to the ENTRY TAX by the company. Our opinion is not modified in respect of these matters.

### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Govt in terms of Section 143(11) of the Act, we give in "Annexure A" a statement of the matters specified in paragraph 3 and 4 of the Order.

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

- a. We have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the VISAKHAPTAM branch ]
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, and the Cash Flow statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account [and with the returns received from the VISAKHAPATNAM branch ]
- d. In our opinion, the aforesaid Ind AS Financial Statements comply with Accounting Standards specified under section 133 of the Act, read with relevant Rules issues there under.
- (e) On the basis of the written representation received from the directors as on 31st March 2018, taken on record by the board of directors, none of the directors is disqualified as on 31st March 2018, from being appointed as a directors 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, to our separate report in "Annexure A".
- (g) With respect to the matters to be included in the auditor's reporting in accordance with Rule 11 of the companies (Audit and Auditors ) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
  - (i) The company has disclosed the impact of pending litigation on its financial position in its Ind AS financial statement -Refer Note 2- contingent liabilities to the Ind AS financial statement;
  - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

**For SRIDHARA CHARY V & CO.,**  
Chartered Accountants  
(Firm Registration No. 011478S)

**(V.SRIDHARA CHARY)**  
M.NO 218343  
Proprietor

Place : HYDERABAD  
Date : 4<sup>th</sup> May, 2018

**"ANNEXURE A" TO INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAMKRG PISTONS AND RINGS LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST 2018.**

(STATEMENT REFERRED TO IN PARAGRAPH 5 OF REPORT OF EVEN DATE)

**IN RESPECT OF ITS FIXED ASSETS**

1. (a) The company has maintained proper records showing the full particulars quantitative details and situation of fixed assets.
- (b) The company has program for phased physical verification of all its fixed assets which in our opinion is reasonable having regard to the size of the company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.

**IN RESPECT OF ITS INVENTORIES**

2. a) The management has conducted physical verification of the finished goods at reasonable intervals.
- b) The procedure of physical verification of stock followed by management are considered reasonable and adequate in relation to the size of the company and the nature of its business.
- c) On the physical verification of stock as compared to book records no material discrepancies were noticed. The company is maintaining proper records of inventory.
- d) On the basis of our examination of stock, we are satisfied that the valuation of stock is fair and in accordance with normally accepted accounting principles.
- e) The imported goods were valued the invoice value. The exchange rate variation if any at the end of the year were not considered since the impact on the profit or loss is insignificant.

**IN RESPECT OF THE LOANS SECURED OR UNSECURED GRANTED OR TAKEN BY THE COMPANY TO/FROM COMPANIES, FIRMS OR OTHER PARTIES IN THE REGISTER MAINTAINED SEC 301 OF THE COMPANIES ACT, 2013.**

3. According to the information and explanations given to us, the company had not taken any loans from the directors and their relatives during the year .

**INTERNAL CONTROL SYSTEM**

4. In our opinion and according to the information and explanation of given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regards to purchases of stores, spare parts including components, plants and machinery, equipment and other assets and for sale of the goods. The company had internal auditor and the report of the internal Auditor was placed before us. In the Internal audit report there are no adverse comments which warrants our reporting.
5. We have broadly reviewed the books of accounting to materials, labour and other item of cost maintained by the company pursuant to the rules made by the central Government for the maintenance of the cost records under section 148 (1) of the Companies Act, 2013 and are of the opinion that, prime facie, the prescribed records and accounts have been maintained by the company. We have, however , not made a detailed examination of the records with a view to determine whether they are accurate and complete.
6. (a) The Provident Fund and Employees State Insurance dues have regularly deposited with the appropriate authorities.
- (b) According to the information and explanation given to us the company does not have undisputed amount payable in respect of Income Tax , Wealth Tax, Excise Duty and Customs Duty outstanding for a period more than six month from the date they become payable. In respect of Sales Tax (Entry Tax) there is a

disputed amount of Rs. 22.47 lakhs not deposited with Sales Tax department. The company had filed an appeal with ADC (CT) PUNJAGUTTA DIVISION HYDERABAD against certain points in the order of the of the assessment year 2002-03.

S.NO	NAME OF THE STATUE	NATURE OF DUES	AMOUNT IN LAKHS	FORUM WHERE DISPUTE IS PENDING
1	SALES TAX ACT 1956	ENTRY TAX	22.47	ADC(CT)
2	INCOME TAX ACT 1961	INCOME TAX	16.02	APPL TRIBUNAL HYD

In this regard please refer to the point 2-CONTINGENT LIABILITIES to the other information to the Notes to the accounts. We are of the opinion that as and when the demand is raised after hearing of the case, the same will be accounted and settled since the period of the case is beyond the stipulated period.

7. The company has no accumulated losses at the end of the financial year and, has not incurred any cash losses in the financial year under report and in the immediately preceding financial year.
8. In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to financial institution /banks. The company has not issued any debentures.
9. According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
10. According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the course of the Audit.

**For SRIDHARA CHARY V & CO.,**  
Chartered Accountants  
(Firm Registration No. 011478S)

**(V.SRIDHARA CHARY)**  
M.NO 218343  
Proprietor

Place : HYDERABAD  
Date : 4<sup>th</sup> May, 2018

## ANNEXURE-B TO THE AUDITOR'S REPORT

Report on the internal Financial Control under Clause (i) of Sub Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over the financial reporting of SAMKRG PISTONS AND RINGS LIMITED as of 31st March, 2018 in conjunction with our audit of the standalone Ind AS Financial Statements of the company for the year ended on that date.

### MANAGEMENT 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 controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the 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 Control, both applicable to an audit of Internal Financial Control 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 adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls bases on assessed risk. The procedures selected depended on auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due fraud or error. We believe that the audit evidence which we have obtained is sufficient and appropriate to provide basis for our audit opinion on the company's financial controls system over financial reporting.

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING.

A Company's Internal Financial Control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with the generally accepted accounting principles. 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 the 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 LIMITATION OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

#### **OPINION**

In our opinion, the company has, in all material respects, an adequate Internal Financial Control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, basis on the Internal Control over Financial reporting criteria established by the company considering the essential components of internal controls 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  
(Firm Registration No. 011478S)

**(V. SRIDHARA CHARY)**  
M.NO 218343  
Proprietor

Place : HYDERABAD  
Date : 4<sup>th</sup> May, 2018



**INDEPENDENT AUDITORS' CERTIFICATE**

To the Members of **SAMKRG PISTONS AND RINGS LIMITED**

1. We, SRIDHARA CHARY V & CO, CHARTERED ACCOUNTANTS, the Statutory Auditors of SAMKRG PISTONS AND RINGS LIMITED ("The Company") have examined compliance of conditions of Corporate Governance by the company, for the year ended 31st March 2018, as stipulated in regulations 17 to 27 and clause (b) to (i) of regulation 46(2) and para C and D of schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements ) Regulations, 2015 ("THE Listing Regulations").

**Managements' Responsibility**

2. The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes design, implementation and Maintenance of Internal control and procedures to ensure the compliance with the conditions of the corporate Governance stipulated in listing Regulations.

**Auditors Responsibility**

3. Our Responsibility is limited to examining the procedures and implementation thereof, adopted by the company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
4. We have examined the books of account and relevant records and documents maintained by the company for the purpose of providing reasonable assurance on the compliance with the Corporate Governance requirements of the company.
5. We have carried out an examination of relevant records of the company in accordance with the Guidance Note on certification of Corporate Governance issued by the Institute of Chartered Accountants of India ("the ICAI"), the Standards on Auditing specified under sec 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or certificates for Special Purpose issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC), Quality Control for firms that performs Audits and Reviews of Historical Financial Information, and other Assurance and related Service Engagements.

**Opinion**

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clause (b) to (i) of regulations 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2018.
8. We further state that 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  
(Firm Registration No. 011478S)

**(V.SRIDHARA CHARY)**  
M.NO 218343  
Proprietor

Place : HYDERABAD  
Date : 4<sup>th</sup> May, 2018

**BALANCE SHEET AS AT 31ST MARCH 2018****Rs. In Lakhs**

PARTICULARS	Note No	March 31 2018	March 31 2017	April 01 2016
<b>ASSETS</b>				
<b>Non-Current Assets</b>		<b>13726.58</b>	<b>12532.27</b>	<b>10886.87</b>
(a) Property Plant and Equipment	1	13448.42	12249.55	10624.85
(b) Capital work-in-progress				
(c) Intangible Assets				
(d) Intangible Assets under development				
(e) Financial Assets - Investments				
(f) Deferred Tax Assets (net)				
(g) Other Non-Current Assets	2	278.16	282.72	262.02
<b>Current Assets</b>		<b>5934.09</b>	<b>6104.11</b>	<b>6109.94</b>
(a) Inventories	3	1863.81	1550.75	1827.50
(b) Financial Assets				
(i) Trade Receivables	4	3835.30	3890.12	3910.07
(ii) Cash and Cash equivalents	5	137.44	425.31	56.11
(iii) Other Financial Assets	6	97.32	114.99	239.34
(c) Other Current Assets	7	0.22	122.94	76.92
<b>TOTAL ASSETS</b>		<b>19660.67</b>	<b>18636.39</b>	<b>16996.83</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>		<b>12601.82</b>	<b>11130.35</b>	<b>9219.90</b>
(a) Equity Share Capital	8	982.05	982.05	982.05
(b) Other Equity	9	11619.77	10148.30	8237.85
<b>LIABILITIES</b>				
<b>Non-Current Liabilities</b>		<b>1575.22</b>	<b>1610.63</b>	<b>1723.22</b>
(a) Financial liabilities - borrowings	10	674.45	793.36	976.94
(b) Provisions	11	569.76	532.84	499.49
(c) Long Term Borrowings	12	0.00	0.00	2.36
(d) Deferred Tax Liabilities (net)		331.01	284.43	244.43
<b>Current Liabilities</b>		<b>5483.61</b>	<b>5895.41</b>	<b>6053.72</b>
(a) Financial Liabilities				
(i) Borrowings	13	1805.81	1716.05	1743.84
(ii) Trade Payables		1801.21	1852.15	1870.36
(iii) Other Financial Liabilities				
(b) Other Current Liabilities		36.94	648.46	635.26
(c) Provisions	14	1839.65	1678.75	1804.26
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>19660.67</b>	<b>18636.39</b>	<b>16996.83</b>

**THIS IS THE FORM OF BALANCE SHEET REFERRED TO IN OUR REPORT ON EVEN DATE****SRIDHARA CHARY V & CO**

Chartered Accountants

Firm Regn No. 0114785

For and on behalf of the Board of Directors

Sd/-

**V SRIDHARA CHARY**

Proprietor

Membership No 218343

Place : Hyderabad

Date : 4<sup>th</sup> May, 2018

Sd/-

**S.D.M. RAO**

Chairman &amp;

Managing Director

Sd/-

**M.N. THAKKAR**

Director

**PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018**

Rs. In Lakhs

		2017-18	2016-17
PARTICULARS	NOTE NO	FIGURES AT THE END OF THE CURRENT REPORTING PERIOD	FIGURES AT THE END OF THE PREVIOUS REPORTING PERIOD
I Revenue from Operations (net) #	1	24527.71	22965.02
II Other Income	2	207.40	119.88
III Total Revenue		24735.11	23084.90
IV Expenses			
Cost of Materials Consumed	3	13782.62	12807.85
Change in Inventories of Finished Goods , Work in progress and Stock in Trade	4	-220.61	259.99
Employees benefit expenses	5	5614.63	5019.61
Finance Cost	6	128.51	173.49
Depreciation and amortization expenses	7	1305.18	1286.36
Other Expenses	8	1158.98	835.29
Total Expenses		21769.31	20382.59
V Profit before exceptional and tax (III-IV)		2965.80	2702.31
VI Exceptional items		37.50	31.65
VII Profit after Exceptional and before Tax (V-VI)		2928.30	2670.66
VIII Profit Before Tax ( VII )		2928.30	2670.66
IX Tax Expenses			
(1) Current Tax		866.25	685.00
(2) Deferred Tax		46.59	40.00
X Profit after Taxation (VIII - IX)		2015.46	1945.66
XI Earning per Share			
(1) Basic		20.52	19.81
(2) Diluted		20.52	19.81

# Net of excise duty till 30th June,2017 due to implementation of GST

THIS IS THE FORM OF PROFIT AND LOSS ACCOUNT REFERRED TO IN OUR REPORT OF EVEN DATE

**SRIDHARA CHARY V & CO**

Chartered Accountants

Firm Regn No. 011478S

For and on behalf of the Board of Directors

Sd/-

**V SRIDHARA CHARY**

Proprietor

Membership No 218343

Place : Hyderabad

 Date : 4<sup>th</sup> May, 2018

Sd/-

**S.D.M.RAO**

 Chairman &  
 Managing Director

Sd/-

**M.N.THAKKAR**

Director

## NOTES FORMING PART OF BALANCE SHEET

## NOTE-1

Rs. In Lakhs

Particulars	VALUE AS AT 01/04/2017	ADDITION / DELETION DURING THE YEAR	VALUE AS AT 31/03/2018
<b>PROPERTY, PLANT &amp; EQUIPMENT</b>			
Land-Freehold	189.61	0.00	189.61
Buildings	2072.21	627.14	2699.35
Plant and Machinery	20820.85	1797.46	22618.31
Electrical installation	574.06	70.46	644.52
Furniture and Fixtures	177.62	0.00	177.62
Vehicles	394.00	8.99	402.99
Impairment of Assets	194.18	0.00	194.18
<b>TOTAL</b>	<b>24422.53</b>	<b>2504.05</b>	<b>26926.58</b>

1. The Fixed Assets includes Self made Machines.
2. The cost Fixed Assets is net of cenvat credit availed and to be claimed.

Particulars	2017-18	2016-17	2015-16
Gross carrying value as on 01.04.2017	12249.55	10624.85	10120.19
Additions during the year	2504.05	2911.06	1675.23
Less: Depreciation provided during the year	1305.18	1286.36	1170.57
<b>Net carrying value as on 31.03.2018</b>	<b>13448.42</b>	<b>12249.55</b>	<b>10624.85</b>

## NOTE-2

## Long Term-Loans and Advances

A P S E B Deposit	278.16	282.72	262.02
<b>TOTAL</b>	<b>278.16</b>	<b>282.72</b>	<b>262.02</b>

## NOTE-3

## INVENTORIES

Stores and Spares	251.43	204.03	209.44
Raw Materials	363.46	295.29	312.25
Semi Finished Goods	481.02	505.76	473.44
Finished Goods	767.91	545.67	832.38
<b>TOTAL</b>	<b>1863.82</b>	<b>1550.75</b>	<b>1827.50</b>

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 realizable value. The cost does not include excise duty component.

The Excise duty is neither considered for opening stock nor closing stock. This method was followed consistently by the Company. The Raw Materials including trade goods, stores and spares were valued at cost to the unit.

## NOTE-4

Trade Receivables	3835.30	3890.12	3910.07
Unsecured and considered good			
<b>TOTAL</b>	<b>3835.30</b>	<b>3890.12</b>	<b>3910.07</b>

**NOTES FORMING PART OF BALANCE SHEET**

Rs. In Lakhs

Particulars	2017-18	2016-17	2015-16
<b>NOTE-5</b>			
<b>CASH AND CASH EQUIVALENTS</b>			
Cash in Hand	1.12	1.32	1.82
Balance with Banks	115.14	372.06	5.65
Margin Money with Banks	21.18	51.93	48.64
<b>TOTAL</b>	<b>137.44</b>	<b>425.31</b>	<b>56.11</b>

**NOTE-6**
**SHORT TERM LOAN AND ADVANCES**

Advances to Staff	75.55	72.87	177.08
Other Deposits	6.26	6.26	8.74
Unsecured Considered Good	0.00	0.00	0.00
Advances Suppliers	15.50	18.94	11.09
Other Advances	0.01	16.92	42.41
<b>TOTAL</b>	<b>97.32</b>	<b>114.99</b>	<b>239.34</b>

**NOTE-7**
**OTHER CURRENT ASSETS**

Excise Duty Deposit	0	106.82	56.68
Service Tax	0	15.02	20.28
VAT Credit	0.22	1.10	-0.03
<b>TOTAL</b>	<b>0.22</b>	<b>122.94</b>	<b>76.92</b>

**NOTE-8**
**SHARE CAPITAL**

Authorized	1250.00	1250.00	1250.00
Issued , Subscribed and Paid up	982.05	982.05	982.05
par Value of Share in Rupees	10	10	10

**SHARES HELD BY SHAREHOLDER HOLDING MORE THAN 5% SHARE (In Nos)**

Shri SDM Rao	1005044	1005044	1005044
Shri SDM Rao-HUF	68276	68276	68276
Smt. S. Saraswathi	2630205	2630205	2630205
Shri S. Karunakar	522774	522774	522774
Shri S. Kishore	513035	513035	513035

for the period of five years immediately preceding the date as at the Balance Sheet prepared.

**FORFEITED SHARES (AMOUNT ORIGINALLY PAID UP)**

10800 shares @ Rs 5 per share	} 1.03.lakhs	0.54	0.54	0.54
9750 shares @ Rs 5 per share		0.49	0.49	0.49

## NOTES FORMING PART OF BALANCE SHEET

Rs. In Lakhs

Particulars	2017-18	2016-17	2015-16
<b>NOTE-9</b>			
<b>OTHER EQUITY</b>			
(i) Capital Reserve	56.03	56.03	56.03
(ii) Securities Premium Reserve	163.92	163.92	163.92
(iii) Revaluation Reserve	155.21	155.21	155.21
(iv) General Reserve	-6.47	284.45	50.43
(v) Surplus in statement of Profit and Loss	11251.09	9488.69	7786.24
(vii) CSR Reserve	0.00	0.00	26.02
<b>TOTAL</b>	<b>11619.77</b>	<b>10148.30</b>	<b>8237.85</b>

The Capital Reserve includes an amount of Rs 1.03 lacs from forfeiture of Shares and subsidy from the Govt for setting up the unit in backward area

An amount of Rs. 37,49,680/- was spent out of CSR Reserve towards the Rural Infrastructure development such as 1) Developing skill developing centre i.e Computer Training, Tailoring and other vocational skills at Vizianagaram District, Andhra Pradesh. 2) Educational Support and infrastructure support to Secondary Schools to accommodate more students in an environmental friendly atmosphere. 3) Construction of Toilets at schools and providing clean drinking water projects.

**GENERAL RESERVE**

Opening Balance	284.45	50.43	684.09
Add: Transfer from P & L A/C	253.07	243.21	196.27
Less: Earlier Years Tax & Dividend and Dividend Tax	544.00	9.19	829.93
<b>NET RESERVE</b>	<b>-6.47</b>	<b>284.45</b>	<b>50.43</b>

**PROFIT AND LOSS ACCOUNT**

Opening Balance	9488.70	7786.24	6412.36
Add: Current Year Profit	2015.46	1945.66	1570.15
Less: Transfer to General Reserve	253.07	243.21	196.27
<b>NET PROFIT AND LOSS ACCOUNT</b>	<b>11251.09</b>	<b>9488.69</b>	<b>7786.24</b>

**NOTE-10**

Other Long Term Liabilities

Sales Tax Deferral Loan	674.45	793.36	976.94
<b>TOTAL</b>	<b>674.45</b>	<b>793.36</b>	<b>976.94</b>

**INTEREST FREE SALES TAX LOAN IS REPAYABLE AS FOLLOWS:**

1. Plant-I - 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.170.04 lakhs represents repayable in the next 12 months had been shown under Current Liabilities

**NOTE-11****Long Term Provisions**

Provision for Gratuity	569.76	532.84	499.49
<b>TOTAL</b>	<b>569.76</b>	<b>532.84</b>	<b>499.49</b>

The Employees who are become Eligible gratuity had been considered for valuation and the amount were worked and provided.

## NOTES FORMING PART OF BALANCE SHEET

Rs. In Lakhs

Particulars	2017-18	2016-17	2015-16
<b>NOTE-12</b>			
Long Term Borrowings			
Fully Secured			
Loans for Vehicles	0	0	2.36
Unsecured	0	0	0
Other Loans	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>2.36</b>

## NOTE-13

## Short Term Borrowings

Secured			
Clean Bills Discounting	0	0	0
Cash Credit - Stocks	1635.77	1531.83	1547.88
Sales Tax Deferment Loan-Payable with in a year	170.04	184.22	195.96
<b>TOTAL</b>	<b>1805.81</b>	<b>1716.05</b>	<b>1743.84</b>

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-14

## Short Term Provisions

Other Provisions	829.65	792.93	857.26
Provision for Employees Benefits	1010.00	885.83	947.00
<b>TOTAL</b>	<b>1839.65</b>	<b>1678.76</b>	<b>1804.26</b>

The other provisions includes the Power Bill for the month of March, 2018 amounting to Rs.141.03 lakhs.

## Current Liabilities

Trade Payables	1801.21	1852.15	1874.00
Other Current Liabilities	36.94	648.46	635.26

NOTES FORMING PROFIT AND LOSS ACCOUNT		Rs. In Lakhs	
	Particulars	2017-18	2016-17
<b>NOTE-1</b>			
<b>REVENUE FROM OPERATIONS</b>			
(a)	Sale of Products	32397.76	28037.31
(b)	Sale of Services	0	0
(c)	Other Operating Revenue	21.20	14.90
	<b>TOTAL</b>	<b>32418.96</b>	<b>28052.21</b>
	Less GST	4937.04	0.00
	Less Excise Duty	648.73	2892.55
	Less VAT, CST	115.94	507.97
	Less Sales Promotion	2189.54	1686.67
	<b>NET OPERATING REVENUE</b>	<b>24527.71</b>	<b>22965.02</b>
1. The Other Operating Revenue represents Sale of Scrap			
<b>NOTE-2</b>			
<b>Other Income</b>			
(a)	Interest Income-with Notes	10.02	25.59
	Interest from Bank on Margin Money and Deposits with TSPDCL and ESPDCL	0	0
(b)	Dividend Income	0	0
(c)	Net Gain/Loss on Sale of Investments	0	0
(d)	Other Non-Operating Income (net)	197.38	94.59
	<b>TOTAL</b>	<b>207.40</b>	<b>119.88</b>
<b>NOTE-3</b>			
<b>COST OF MATERIAL CONSUMED</b>			
	Opening Stock of Raw Material	302.79	291.46
	Aluminium	2803.24	3024.71
	Alloying Elements	643.26	835.63
	Pin Steel	384.87	569.53
	Customs Duty on Raw Materials	52.79	152.47
	Bought Out Components	93.27	164.35
	Direct Materials	797.66	1144.27
	Indirect Materials	3159.21	924.40
	Less Cash Discount Received	-97.61	-108.32
	<b>TOTAL</b>	<b>8139.48</b>	<b>6998.50</b>
	Less Closing Stock of Raw Material	333.48	302.79
	<b>Net Consumption of Raw Material</b>	<b>7806.00</b>	<b>6695.71</b>
	Power and Fuel	1976.31	1816.88
	Transportation	900.57	903.39
	Consumption of Stores and Spares Opening Stock	204.03	209.44
	Purchases	1560.50	2149.61
	Less Closing Stock	251.43	204.03
	<b>Net Consumption of Stores and Spares</b>	<b>1513.10</b>	<b>2155.02</b>
	Consumption of Packing Material Opening Stock	15.61	38.30
	Purchases	1601.00	1214.17
	Less Closing Stock	29.98	15.61
	<b>Net Consumption of Packing Materials</b>	<b>1586.63</b>	<b>1236.85</b>
	<b>Total Consumption of Raw Material</b>	<b>13782.62</b>	<b>12807.85</b>



NOTES FORMING PROFIT AND LOSS ACCOUNT		Rs. In Lakhs	
	Particulars	2017-18	2016-17
<b>NOTE-4</b>			
<b>INCREASE/DECREASE IN STOCKS</b>			
<b>OPENING STOCK</b>			
	Semi Finished Goods	505.75	473.44
	Finished Goods	522.56	814.87
		1028.31	1288.30
<b>CLOSING STOCK</b>			
	Semi Finished Goods	481.02	505.75
	Finished Goods	767.91	522.56
		1248.93	1028.31
<b>INCREASE/DECREASE IN STOCKS</b>		<b>-220.62</b>	<b>259.99</b>
<b>NOTE-5</b>			
<b>EMPLOYEES BENEFIT EXPENSES</b>			
(i)	Salaries & Wages	4970.47	4368.47
(ii)	Contribution to Provident Fund and Other Funds	224.65	224.65
(iii)	Staff Welfare Expenses	419.51	462.48
<b>TOTAL</b>		<b>5614.63</b>	<b>5019.61</b>
<b>NOTE-6</b>			
<b>FINANCE COST</b>			
(a)	Interest Expenses	89.76	109.56
(b)	Other Borrowing Cost	50.47	47.84
(c)	Net Gain/ Loss on Foreign Currency	-11.72	16.10
Transactions and Translation-with notes		0.00	0.00
<b>TOTAL COST</b>		<b>128.51</b>	<b>173.49</b>
<b>NOTE-7</b>			
<b>DEPRECIATION AND AMORTIZATION EXPENSES</b>		<b>1305.18</b>	<b>1286.36</b>

The total Depreciation provided for the Current Financial Year was Rs. 1305.18 Lakhs. The Depreciation was provided on Straight Line Basis on the Assets that were put to use and calculated according to the period of use. The Depreciation on Assets whose value had reached 95% of the Asset Value were not considered for Depreciation.

NOTES FORMING PROFIT AND LOSS ACCOUNT		Rs. In Lakhs	
	Particulars	2017-18	2016-17
<b>NOTE-8</b>			
<b>OTHER EXPENSES</b>			
Rent, Rates & Taxes		181.60	171.90
Printing & Stationary		72.88	59.48
Communicational Expenses		40.67	29.74
Conveyance & Travelling		195.11	121.23
Director's Sitting Fee		0.42	0.56
Insurance		20.65	24.48
Auditor's Remuneration		6.00	9.25
Legal & Professional charges		6.64	2.54
Repairs & Maintenance		471.04	252.58
Advertisement		7.63	4.00
Miscellaneous expenses		86.75	99.67
Gratuity		69.59	59.86
<b>TOTAL</b>		<b>1158.98</b>	<b>835.29</b>

**NOTE: 9**

The Exceptional Item represents the provision made for Corporate Social Responsibility for an amount of Rs. 37,49,680/- Please refer Corporate Social Responsibility Report by the Board of Directors.

**5. OTHER INFORMATION:****1 CORPORATE INFORMATION:**

**Samkr Pistons and Rings Ltd.** ('the Company') or ('SAM') is engaged in the Manufacturing of Automobile Components. The Company has manufacturing plants at Bonthapally, Sangareddy Dist, T.S, and 2 units at Srikakulam Dist, A.P. The Company is Public Limited Company and is listed on BSE Limited. The functional currency of the Company is Indian Rupees. The financial Statements prepared under Company (Accounting Standards ) Rules, 2015 for the year ended 31st March 2018 were adopted by the Company on 4<sup>th</sup> May, 2018

**2 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, Upto the year ended 31st March 2017 the company prepared its financial statements in accordance with the previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 as amended from time to time. This is the Company's first Ind AS Financial Statements. The date of transition to Ind AS is 1st April 2016. Refer Note 28(18) for details of first time adoption of Ind AS and exemptions. The Ind AS financial statements are prepared on historical cost convention, except in case of certain financial instruments which are recognized at fair value at the end of the reporting period as rendered in the Accounting Policy No 4; and on an accrual basis as a going concern.

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Part I of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of Current Non-Current classification of Assets and Liabilities.

### 3. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

### 4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

### 5. FINANCIAL LIABILITIES

Financial liabilities are subsequently carried at amortized cost using the effective interest where the fair value differs from the Transaction Price. Where the fair value does not differ, materially, from Transaction Price, the financial liabilities are stated at transaction price only.

### 6. REVENUE RECOGNITION

The Company Revenue recognition is in line with Ind AS 18

Revenue is reported net of discounts and indirect taxes. Revenue is reduced for estimated customer returns, rebate and other similar allowances.

Revenue in respect of export benefits is recognised when the certainty of realisation of the benefit is established.

### 7. Excise Duty Vs VAT

Revenue includes only the gross inflows of economic benefits received and receivable by the entity on its own account. Amounts collected on behalf of third parties such as sales taxes, goods and service taxes and value added taxes are not economic benefits which flow to the entity and do not result in increases in equity therefore the excluded from revenue recovery of Excise duty flows to the entity on its own account because it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not since the recovery of excise duty flows to the entity on its own account, revenue includes excise duty

VAT is not received by the entity on its own account, it is tax collected on value added to the commodity by the seller on behalf of the government; therefore it is excluded from revenue

### 8. Foreign Currencies

The Company's Financial Statements are presented in INR, which is also the company's Functional Currency.

#### Transactions and Balances

Transactions in foreign currencies are initially recorded 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 recognised in profit and loss.

### 9. Other income

**Interest:** Interest income is calculated on effective interest rate, but recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**Insurance Claim:** Insurance Claims are recognised when the claims are assessed to be receivable.

## 10. PROVISIONS AND CONTINGENT LIABILITIES

**Provisions:** Provisions are recognised 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.

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

11. **Product Warranty Expenses:** Product Warranty expenses are accounted based on the claims received and accepted during the year and estimates in accordance with the warranty policy of the Company.

## 12. Earnings per share

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

## 13. Cash and Cash equivalents

In the Cash Flow Statement, Cash and Cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

## 14. Contributed Equity

Equity shares are classified as equity. Other Equity classified as per Ind AS

## 15. Dividend

Final dividends on shares are recorded as a liability on the date of approval by the shareholders. This has been consistently followed from Financial Year 2015-16

## 16. Employees Benefits

- a) The company's contribution to Provident Fund is administered through Regional Provident Fund Commissioner and being charged to revenue as incurred.
- b) Leave encashment is accounted for on cash basis of the actual payments made.

## 17. 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 Rs.46.59 lakhs and considered for the current year was Rs 46.59 lakhs.(previous year Rs. 40.00 lakhs)

## 18. 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 with the ADC (CT) Punjagutta division, Hyderabad against which we have already paid an amount of Rs. 3.21 Lakhs the case did not come for any hearing further.

**19 Details under Micro and Small 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

Rs. in Lakhs

Sr. No.	Particulars	2017-18		2016-17	
		Principal	Interest	Principal	Interest
a	Principal Amount and Interest thereon due, remaining unpaid at the end of the year.	51.06	Nil	115.22	Nil
b	Interest paid during the year	Nil	Nil	Nil	Nil
c	Interest due and payable ( on the amount which have been paid beyond the appointed date during the year)	NA	NA	NA	NA
d	Interest remaining accrued and unpaid at the end of year	NA	NA	NA	NA
e	Interest due of the previous year	NA	NA	NA	NA

20 Amount of Exchange difference as per Ind AS -21 Accounting for the effects of changes in Foreign Exchange rates included in the finance cost was Rs. 11.72 lakhs ( previous year Rs.16.10 lakhs)

21 Expenditure in Foreign Currency Travelling 3.91 4.24

22 Earnings in Foreign Currency ( on receipts basis ) 4560.59 4435.51

23 Segment reporting under Indian Accounting Standard - 108

The Company operates in singal primary business segment namely manufacture of Automobile Components - Piston Assemblies, hence no separate disclosure is required.

24 Related Party Disclosures as per Ind AS -24

**Related Parties transactions for the Year ended 31.03.2018**

SL. No.	NAMES OF RELATED PARTIES & DESCRIPTION OF RELATIONSHIP		NATURE OF TRANSACTIONS	AMOUNT PAID IN RS.	BALANCE
1	Shri S. Karunakar	- Director	Rent paid / payable	1308000	0
2	Shri S. Kishore	- Director	Rent paid / payable	1188000	0
3	Smt. S. Saraswathi	- W/o CMD	Rent paid / payable	1872000	0
4	Saraswathi Enterprises	(Firm)	Rent paid / payable	6240000	0
5	Key Management Personnel		Remuneration & commission paid		
	Shri S.D.M. Rao	- Chairman & M.D		6000000	0
	Shri S. Karunakar	- Director		13050000	0
	Shri S. Kishore	- Director		13050000	0
6	Gopal Engineering Corporation*		Job works & Retro of M/cs	49635000	0

\*Mrs. S Saraswathi is a major partner and she is related to Director 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 Visakhapatnam

25 The Company had already transferred balance funds in Un-paid Dividend account to Investors Education Fund amounting to Rs. 2.31 Lakhs . The amount was deposited on Aprl 2018 after a delay of six months

		Rs. in Lakhs	
		2017-18	2016-17
26	PAYMENT TO AUDITORS		
	(a) Auditor Fee	4.50	7.75
	(b) For Tax Audit and other matters	1.50	1.50
	<b>TOTAL</b>	<b>6.00</b>	<b>9.25</b>
27	<b>CIF VALUE OF IMPORTS</b>		
	by the company during the financial year in respect of		
	(a) Raw material	937.01	850.27
	(b) Components and spare parts	2.75	8.82
	(c) Capital Goods	170.02	572.92
28	<b>Consumption</b>		
	Imported raw materials	937.01	850.27
	Spare parts	2.75	8.82
	Components	0	0
	Total indigenous raw material	10929.87	9777.89
	Spare parts Components	0	0
	<b>Total of percentage of each</b>		
	INDIGENIOUS	90.65	91.92
	IMPORTED	9.35	8.08

The Cost of Raw Material does not include the Power and Fuel and Transportation.

- 29 The obligation under EPCG concessional duty scheme on account of capital Equipments imports amounting to Rs.2097.70 Lakhs (previous year Rs.1394.46 lakhs)
- 30 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 interest @9%. The deposits are repayable at the closure of the dealership only.
- 31 **PROPERTY, PLANT AND EQUIPMENT**

Property, Plant and Equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses if any, subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item will flow to the company and cost of the item can be measured reliably.

All other repairs and maintenance are charged to the statement of profit and loss during the period in which they are incurred. Gains and losses arising on retirement or disposal of property, plant and equipment are recognised in statement of profit and loss.

Property, plant and equipment which are not ready for intended use as on the date of balance sheet are disclosed as Capital work in progress

Depreciation is provided on a prorata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013

Upon First time adoption of Ind AS, the Company has elected to measure all its property, plant and equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e 1st April, 2016

**32 FIRST TIME ADOPTION OF Ind AS**

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2015, with a transition date of 1st April, 2016 these financial statements for the year ended 31st March, 2018 are the first financial statements the company prepared under Ind AS for all periods up to and including the year ended 31st March, 2017, the company prepared its financial statements in accordance with the accounting standards notified under section 133 of the companies act, 2013, read together paragraph 7 of the companies (accounts) rules, 2014 (previous GAAP)

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First Time adoption of Indian Accounting Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented accordingly the company has prepared financial statements which comply with Ind AS for year ended 31st March, 2018, together with comparative information as at and for the year 31st March, 2017 and the opening Ind AS balance sheet as at 1st April, 2016, the date of transition to Ind AS in preparing these Ind AS financial statements, the company has availed certain exemptions and exceptions in accordance with Ind AS 101

**OPTIONAL EXEMPTIONS FROM RETROSPECTIVE APPLICATION**

Deemed cost for Property, Plant and Equipment and Intangible Assets, the Company has elected to measure all its property, plant and equipment and intangible assets at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS mandatory exceptions from retrospective application,

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily, required under Ind AS 101:

**i) ESTIMATES**

On assessment of the estimates made under previous GAAP Financial Statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However estimates that were required under Ind AS but not required under previous GAAP are made by the company for the relevant reporting dates reflecting conditions existing at that date.

**ii) CLASSIFICATION AND MEASUREMENT OF FINANCIAL ASSETS**

The classification of Financial Asset to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS

**33 Figures for the previous year has been regrouped/reclassified wherever necessary to be conformity with the current year format of Ind AS SCHEDULE - III to the Companies Act.**
**34 Earnings Per Share under Ind AS 33**

	Rs. in Lakhs	
	2017-18	2016-17
Profit After Taxation as per Profit and Loss Account	2015.46	1945.66
Number of Weighted Average of Shares (Nos.)	9820500	9820500
Basic and Diluted Earnings Per Share	20.52	19.81
Nominal Value per Equity Share (Rs.)	10	10

**35 Signature to Schedule 1 to 4 and 5(1) to 5(34)**
**SRIDHARA CHARY V & CO**

Chartered Accountants

Firm Regn No. 0114785

Sd/-

**V SRIDHARA CHARY**

Proprietor

Membership No 218343

Place : Hyderabad

Date : 4<sup>th</sup> May, 2018

For and on behalf of the Board of Directors

Sd/-

**S.D.M. RAO**

Chairman &

Managing Director

Sd/-

**M.N. THAKKAR**

Director

## Reconciliation of equity as previously reported under IGAAP to Ind AS

Rs. In Lakhs

PARTICULARS	Opening balance sheet as at april 01 2016			Balance Sheet as at March 31 2017		
	IGAAP	Effects of transition to Ind-AS	Ind-AS	IGAAP	Effects of transition to Ind-AS	Ind-AS
<b>ASSETS</b>						
<b>Non-Current Assets</b>	10886.87	0.00	10886.87	12532.27	0.00	12532.27
(a) property plant and equipment	10624.85	0.00	10624.85	12249.55	0.00	12249.55
(b) capital work-in-progress	0.00	0.00	0.00	0.00	0.00	0.00
(c) Intangible assets	0.00	0.00	0.00	0.00	0.00	0.00
(d) Intangible assets under development	0.00	0.00	0.00	0.00	0.00	0.00
(e) Financial assets - Investments	0.00	0.00	0.00	0.00	0.00	0.00
(f) Deferred tax assets (net)	0.00	0.00	0.00	0.00	0.00	0.00
(g) Other non-current assets	262.02	0.00	262.02	282.72	0.00	282.72
<b>CURRENT ASSETS</b>	6109.94	0.00	6109.94	6104.11	0.00	6104.11
(a) Inventories	1827.50	0.00	1827.50	1550.75	0.00	1550.75
(b) Financial Assets	0.00	0.00	0.00	0.00	0.00	0.00
(i) Trade receivables	3910.07	0.00	3910.07	3890.12	0.00	3890.12
(ii) Cash and cash equivalents	56.11	0.00	56.11	425.31	0.00	425.31
(iii) Bank balances other than (ii) above	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Other financial assets	239.34	0.00	239.34	114.99	0.00	114.99
(c) Other Current Assets	76.92	0.00	76.92	122.94	0.00	122.94
<b>TOTAL ASSETS</b>	16996.84	0.00	16996.84	18636.39	0.00	18636.39
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>	9219.90	0.00	9219.90	11130.35	0.00	11130.35
(a) Equity share capital	982.05	0.00	982.05	982.05	0.00	982.05
(b) Other Equity	8237.85	0.00	8237.85	10148.30	0.00	10148.30
<b>Liabilities</b>	0.00	0.00	0.00	0.00	0.00	0.00
<b>Non-Current Liabilities</b>	1723.22	0.00	1723.22	1610.63	0.00	1610.63
(a) Financial liabilities - borrowings	976.94	0.00	976.94	793.36	0.00	793.36
(b) provisions	499.49	0.00	499.49	532.84	0.00	532.84
(c) Long Term Borrowings	2.36	0.00	2.36	0.00	0.00	0.00
(d) Deferred Tax Liabilities (net)	244.43	0.00	244.43	284.43	0.00	284.43
<b>CURRENT LIABILITIES</b>	6053.72	0.00	6053.72	5895.41	0.00	5895.41
(a) Financial Liabilities	0.00	0.00	0.00	0.00	0.00	0.00
(i) Borrowings	1743.84	0.00	1743.84	1716.05	0.00	1716.05
(ii) Trade payables	1870.36	0.00	1870.36	1852.15	0.00	1852.15
(iii) Other financial liabilities	0.00	0.00	0.00	0.00	0.00	0.00
(b) Other Current Liabilities	635.26	0.00	635.26	648.46	0.00	648.46
(c) Provisions	1804.26	0.00	1804.26	1678.75	0.00	1678.75
<b>TOTAL EQUITY AND LIABILITIES</b>	16996.84	0.00	16996.84	18636.39	0.00	18636.39



Rs. In Lakhs

Reconciliation of statements of profit and loss as previously reported under IGAAP to Ind AS		Balance Sheet as at March 31 2017		
	Note No	IGAAP	Effects of transition to	Ind-AS
<b>I Revenue from Operations (Net) #</b>	1	22965.02	0.00	22965.02
<b>II Other Income</b>	2	119.88	0.00	119.88
<b>III Total Revenue</b>		23084.90	0.00	23084.90
<b>IV EXPENSES</b>				
Cost of Material Consumed	3	12807.85	0.00	12807.85
Change in Inventories of finished			0.00	0.00
Goods, Work in Progress and Stock in Trade	4	259.99	0.00	259.99
Employees Benefits Expenses	5	5019.61	0.00	5019.61
Finance Cost	6	173.49	0.00	173.49
Depreciation and Amortization Expenses	7	1286.36	0.00	1286.36
Other Expenses	8	835.29	0.00	835.29
Total Expenses		20382.59	0.00	20382.59
<b>V Profit before Exceptional and Tax (III-IV)</b>		2702.31	0.00	2702.31
<b>VI Exceptional Items</b>		31.65	0.00	31.65
<b>VII Profit before and Tax (V-VI)</b>		2670.66	0.00	2670.66
<b>VIII Profit before Tax (VII-VIII)</b>		2670.66	0.00	2670.66
<b>IX Tax Expenses</b>				
(1) Current Tax		685.00	0.00	685.00
(2) Deferred Tax		40.00	0.00	40.00
<b>X Profit (Loss) for the period from continuing operations (IX-X)</b>		1945.66	0.00	1945.66
<b>XI Profit (Loss) from discontinuing operations</b>		0.00	0.00	0.00
<b>XII Tax Expense of discontinuing operations</b>		0.00	0.00	0.00
<b>XIII Profit (Loss) from discontinuing operations (after tax) (XII-XIII )</b>		0.00	0.00	0.00
<b>XIV Profit (Loss) for the period (XI-XIV)</b>		1945.66	0.00	1945.66
<b>XV Earning per Share</b>				
(1) Basic		19.81	0.00	19.81
(2) Diluted		19.81	0.00	19.81

# Net of Excise duty ,VAT, CST, Sales promotion

## STATEMENT OF CHANGES IN EQUITY

(Rs. In Lakhs)

<b>Equity Share Capital</b>					
Balance as at April 1 2016					982.05
Changes in equity share capital during the year					0
Balance as at March 31 2017					982.05
Changes in equity share capital during the year					0
Balance as at March 31 2018					982.05
<hr/>					
<b>Other Equity</b>	<b>General Reserve</b>	<b>Securities Premium Reserve</b>	<b>Retained Earnings</b>	<b>Capital Reserve</b>	<b>Revaluation Reserve</b>
Balance as at April 1 2016	50.43	163.92	7786.24	56.03	155.21
ADD:profit/(loss) for the year	243.21	0	1945.66	0	0
LESS:Earlier years Tax & Dividend And Dividend Tax	9.19	0	0	0	0
LESS:Transfer to general reserve	0	0	243.21	0	0
Balance as at March 31 2017	284.45	163.92	9488.69	56.03	155.21
Additions during the year	0	0	0	0	0
ADD:profit/(loss) for the year	253.07	0	2015.46	0	0
LESS:Earlier years Tax & Dividend And Dividend Tax	544	0	0	0	0
LESS:Transfer to general reserve	0	0	253.07	0	0
Balance as at March 31 2018	-6.47	163.92	11251.08	56.03	155.21

For and on behalf of the Board of Directors

**SRIDHARA CHARY V & CO**

Chartered Accountants

Firm Regn No. 0114785

Sd/-

**V SRIDHARA CHARY**

Proprietor

Membership No 218343

Sd/-

**S.D.M.RAO**

Chairman &amp;

Managing Director

Sd/-

**M.N.THAKKAR**

Director

Place : Hyderabad

Date : 4<sup>th</sup> May, 2018

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018**

Rs. In Lakhs

Particulars	Year Ended March 2018	Year Ended March 2017	Year Ended March 2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit Before Tax and exceptional items	2965.80	2702.31	2261.75
<b>ADJUSTMENTS FOR:</b>			
Depreciation	1305.18	1286.36	1170.57
Sales Tax Deferment	-184.22	-183.58	-195.96
Interest	128.51	173.49	155.21
Interest earned	10.02	25.29	23.87
Gratuity provision	69.59	59.86	89.23
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>4294.88</b>	<b>4063.73</b>	<b>3504.67</b>
<b>ADJUSTMENTS FOR:</b>			
Receivables	54.82	19.95	-810.67
Inventories	-313.06	276.75	-359.21
Loans & Advances	144.96	59.65	-96.44
Payables	-478.27	-163.97	1112.00
<b>CASH GENERATED FROM OPERATIONS</b>	<b>3703.33</b>	<b>4256.11</b>	<b>3347.02</b>
Interest paid	128.51	173.49	155.21
<b>CS PAYMENTS</b>	<b>37.50</b>	<b>57.67</b>	<b>16.59</b>
Taxes paid	842.11	662.76	635.23
Gratuity paid	26.88	26.51	11.30
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2668.33</b>	<b>3335.68</b>	<b>2528.69</b>
Net Increase in Bank Borrowings	0	0.00	0.00
Net Increase in cash flow	2668.33	3335.68	2528.69
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets(NET OF SALE)	2504.05	2911.06	1675.23
Interest received	10.02	25.29	23.87
Term Loans	0	2.36	-0.35
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>2514.07</b>	<b>2938.71</b>	<b>1698.75</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Unsecured Loans			
Increase (Decrease) in Working capital loa (net of payments)	89.76	-27.79	7.89
Dividend and Dividend tax	-531.89	0	-829.93
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>-442.13</b>	<b>-27.79</b>	<b>-822.04</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>-287.87</b>	<b>369.19</b>	<b>7.91</b>
<b>CASH AND CASH EQUIVALENTS AS AT THE COMMENCEMENT OF THE YEAR</b>	<b>425.31</b>	<b>56.11</b>	<b>48.20</b>
<b>CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR</b>	<b>137.44</b>	<b>425.31</b>	<b>56.11</b>

NOTES: The above cash flow statement has been prepared under the indirect method as set out in the Ind AS -7 on Cash Flow Statements. The previous figures were regrouped 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 Regn No. 011478S

Sd/-

**V SRIDHARA CHARY**

Proprietor

Membership No 218343

Place : Hyderabad

Date : 04.05.2018

For and on behalf of the Board of Directors

Sd/-

**S.D.M.RAO**

Chairman &amp;

Managing Director

Sd/-

**M.N.THAKKAR**

Director

XL Softech Systems Ltd  
#3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad - 500034  
Ph: 040-23545913 / 14, e-mail: xlfield@gmail.com

Dated: 10<sup>th</sup> August, 2018

**UPDATE/PAN & BANK DETAILS**

Dear Shareholder,

**UNIT** : Samkrp Pistons and Rings Limited

**SUBJECT** : Update PAN & Bank Details

On behalf of the Company, We wish to inform you that SEBI vide its Circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, has streamline and strengthen the procedures for transfer of securities and payment of dividend. In this regard, SEBI has instructed the Company/RTA to inform all the shareholders who are holding shares in Physical and whose PAN and bank details has not been updated in Company/RTA records.

Further, SEBI has mandated to credit dividend, if any, directly to the Bank account of shareholders through NEFT/RTGS. Hence, we request you to update your bank details by sending following documents to the below mentioned address-

1. Request letter (Format attached)
2. Self-attested copy of PAN
3. Self-attested copy latest address proof.
4. Original cancelled cheque leaf / attested bank passbook showing name of account holder

Registrar and Share Transfer Agent (RTA)  
XL Softech Systems Limited  
(Unit- Samkrp Pistons and Rings Limited)  
3, Sagar Society,  
Road No.2, Banjara Hills,  
Hyderabad - 500 034.  
Phone: 040 23545913/14/15  
Email: [xlfield@gmail.com](mailto:xlfield@gmail.com)

You are requested to send all the above mentioned documents to our RTA at the above mentioned address within 21 days from the date of this letter. **Please note that you need not send any communication to the Company address, related to this matter.**

*\*We suggest you to dematerialize your holdings to enjoy the benefits at fullest and to avoid the demerits of holding physical shares.*

For XL SOFTECH SYSTEMS LIMITED  
Sd/-  
R RAM PRASAD  
REGISTRARS

To  
**XL Softech Systems Limited**  
Unit: Samkrg Pistons and Rings Limited  
3, Sagar Society,  
Road No.2, Banjara Hills,  
Hyderabad - 500 034.  
Phone: 040 23545913/14/15  
Fax: 040 23545915  
Email: [xlfield@gmail.com](mailto:xlfield@gmail.com)

**UPDATION OF PAN AND BANK DETAILS**

Dated: \_\_\_\_\_

Dear Sir,  
In response to your letter ref no. SAMKRG/SHAREHOLDERS/UPDATE/PAN & BANK DETAILS- LETTER-1, I/We am/ are sending you the following details and documents as requested by you-

Name	:	_____
Joint Name	:	_____
Address of the shareholder	:	_____
Phone No	:	_____
Email	:	_____
Folio No / DP ID & Client ID	:	_____
Bank Details	:	_____
Name of Holder	:	_____
Account No	:	_____
Bank Name	:	_____
Branch	:	_____
IFSC Code	:	_____
MICR Code	:	_____

**Signature of the Shareholder**

Encl:

1. Self-attested copy of PAN
2. Self-attested copy latest address proof.
3. Original cancelled cheque leaf /attested bank passbook showing name of account holder

## SAMKRG PISTONS AND RINGS LIMITED

CIN: L27310TG1985LC005423

Regd. Office: 1-201, Divyashakti Complex, 7-1-58, Ameerpet, Hyderabad - 500016

32<sup>nd</sup> ANNUAL REPORT 2017-18

### Attendance Slip

Folio No. / DP ID and Client ID :

No. of shares:

Name and address of  
First / Sole Member:

I certify that I am a member / Proxy for a member of the Company. I hereby record my presence at the 32nd Annual General Meeting of the Company. At Hotel Grandeur, Beside New Science College, Main Road Ameerpet, Hyderabad 500073, Telangana at 10.30 a.M on Wednesday, the 19th September, 2018.

\_\_\_\_\_  
Name of the Member / Proxy  
(Block Letters)

\_\_\_\_\_  
Signature of the Member / Proxy

Note:

- 1 Member / Proxy must bring the Attendance Slip to the Meeting and hand it over, duly signed at the registration counter.
- 2 No gifts will be given.
- 3 Applicable for Investors holding shares in electronic form.
- 4 Strike out whichever is not applicable.



# SAMKRG PISTONS AND RINGS LIMITED

CIN: L27310TG1985LC005423

Regd. Office: 1-201, Divyashakti Complex, 7-1-58, Ameerpet, Hyderabad - 500016

## Form No. MGT-11

### Proxy Form

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

Name of the Member(s)			
Registered Address			
E-mail ID			
Folio No. / Client ID		DP ID:	

I / We, being the Member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint.

1	Name		
	Address		
	Email ID	Signature	or failing him
2	Name		
	Address		
	Email ID	Signature	or failing him
3	Name		
	Address		
	Email ID	Signature	or failing him

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 32nd Annual General Meeting of the Company to be held on 19th September, 2018 at 10.30 A.M at Hotel Grandeur, Beside New Science College, Main Road, Ameerpet, Hyderabad - 500073, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl.No	Resolutions	For	Against
1	To Consider and adopt the Audited Financial Statements of the Company for the Financial Year 2017-18 together with the report of the Board of Directors and Auditors thereon		
2	To declare Dividend of Rs. 5/- per Equity Share of Rs. 10/- each to the shareholder for the Financial Year 2017-18.		
3	To appoint a Director in place of Shri S Madhava Rao, who retires by rotation and being eligible, offers himself for re-appointment as director.		
4	To ratify the appointment of Auditors of the Company.		
5	Re-appointment of Shri S Karunakar, Whole time director for a period of next 5 years.		
6	Re-appointment of Shri S Kishore, Whole time director for a period of next 5 years.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

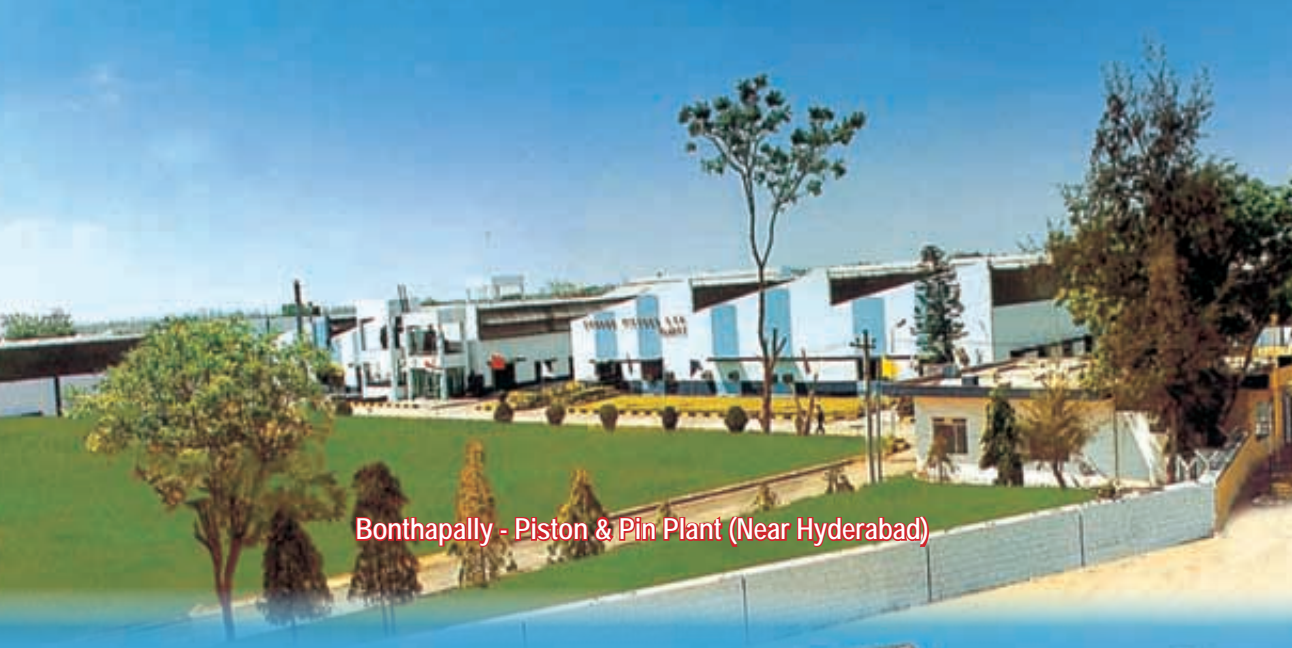
Signature of Shareholder: \_\_\_\_\_ Signature of Proxy Holder(s) \_\_\_\_\_

Affix  
Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the company, not less than 48 hours before the commencement of the Meeting.







Bonthapally - Piston & Pin Plant (Near Hyderabad)



Varisam - Rings Plant (Near Visakhapatnam)



Akkivalasa - Piston & Pin Plant (Near Visakhapatnam)

**PRINTED MATTER  
BOOK - POST**

If undelivered please return to:



**SAMKRG PISTONS AND RINGS LIMITED**

( AN ISO/TS 16949 : 2002 Company)

Registered Office:

1-201, Divyashakti Complex, 7-1-58, Ameerpet, Hyderabad - 500 016.

E-mail: [admin@samkrg.com](mailto:admin@samkrg.com)

Website: [www.samkrgpistonsandrings.com](http://www.samkrgpistonsandrings.com)